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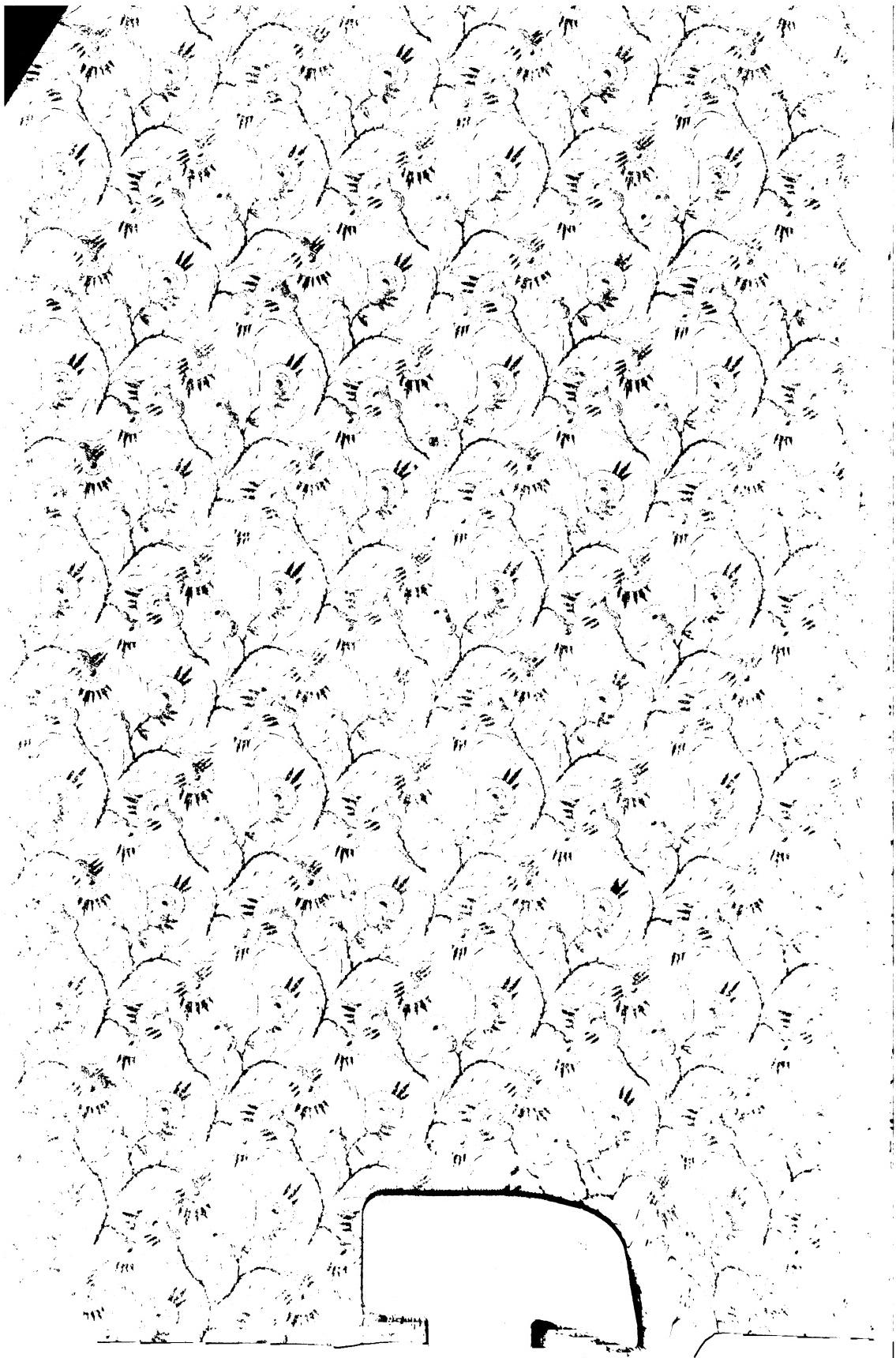
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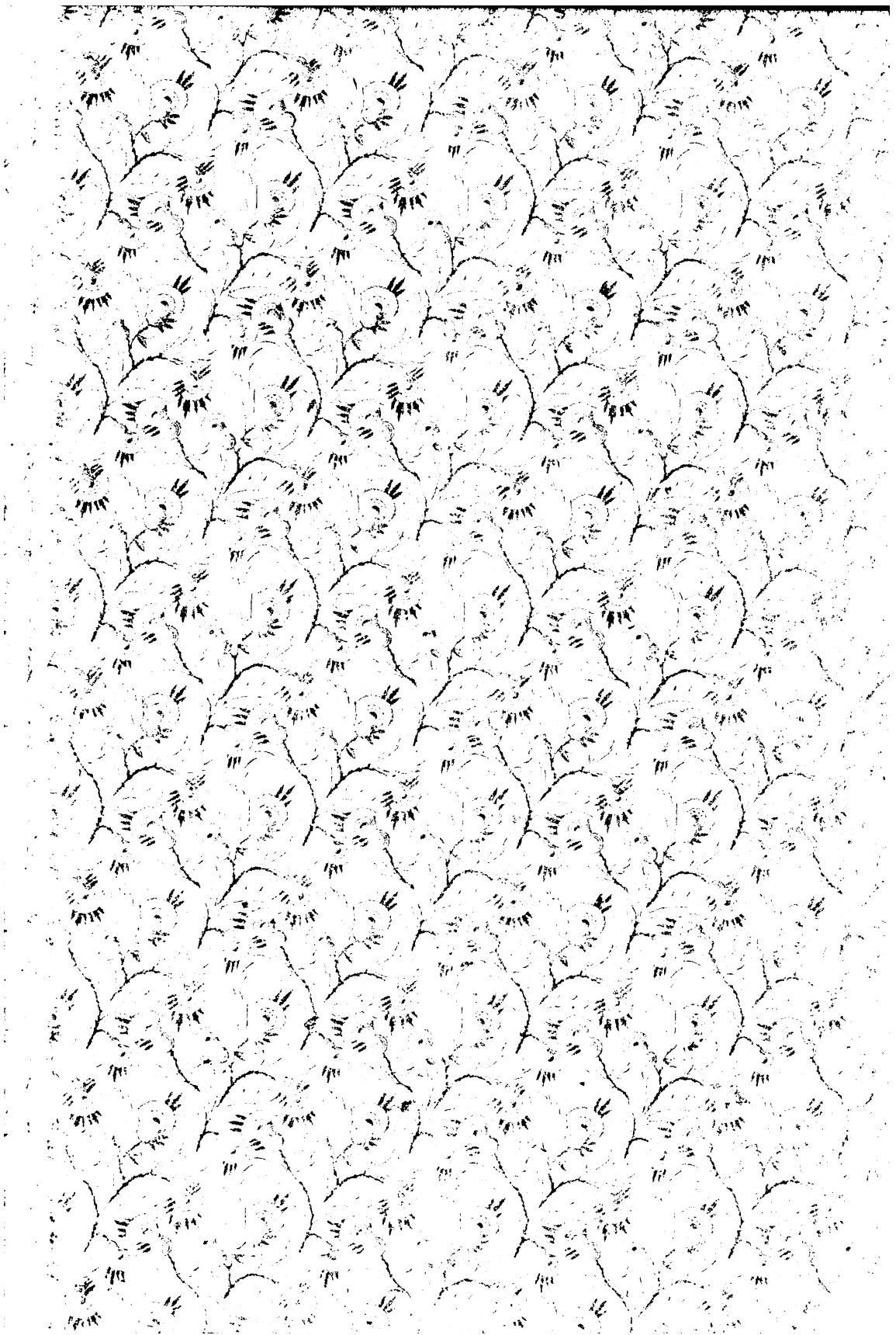
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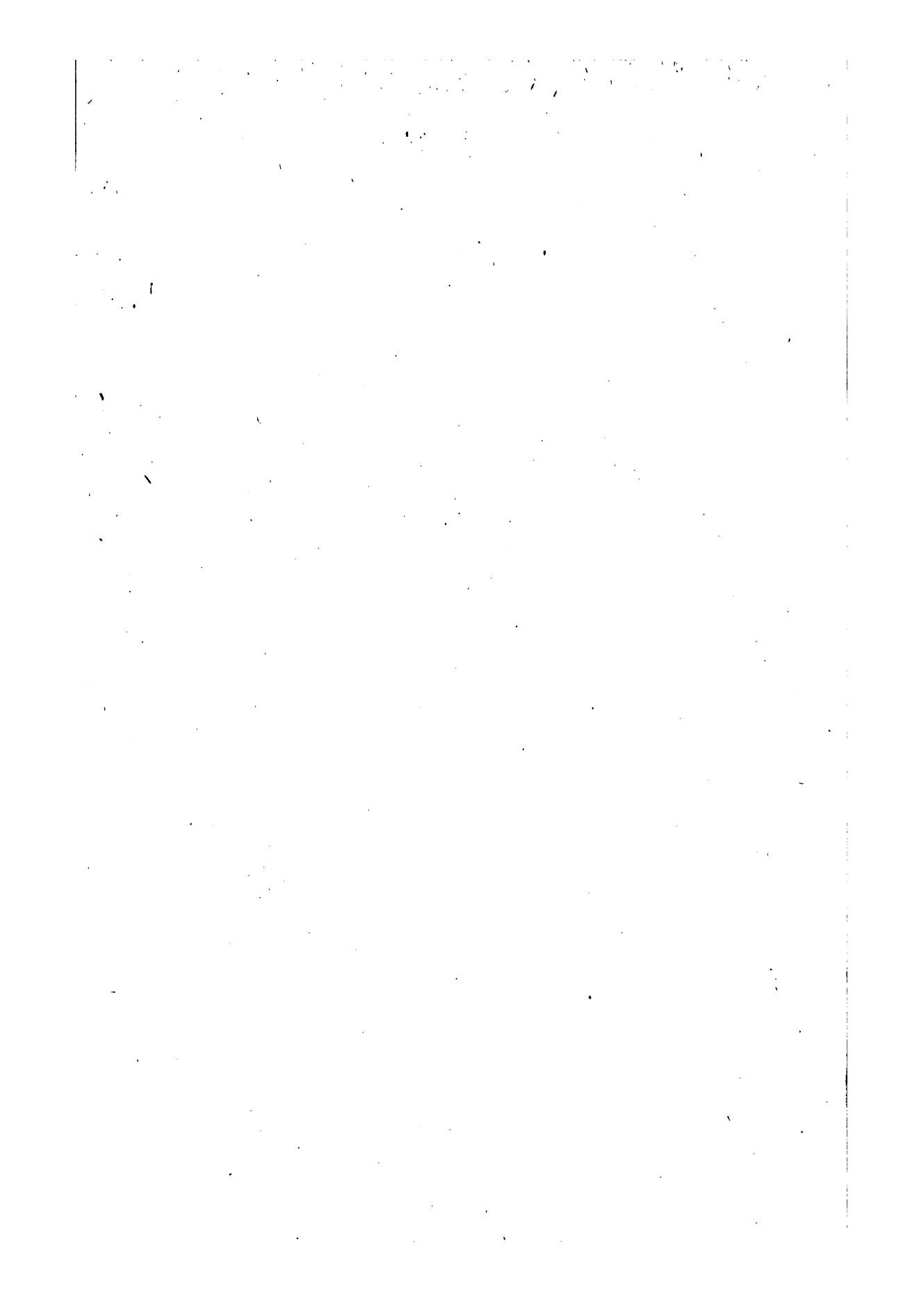


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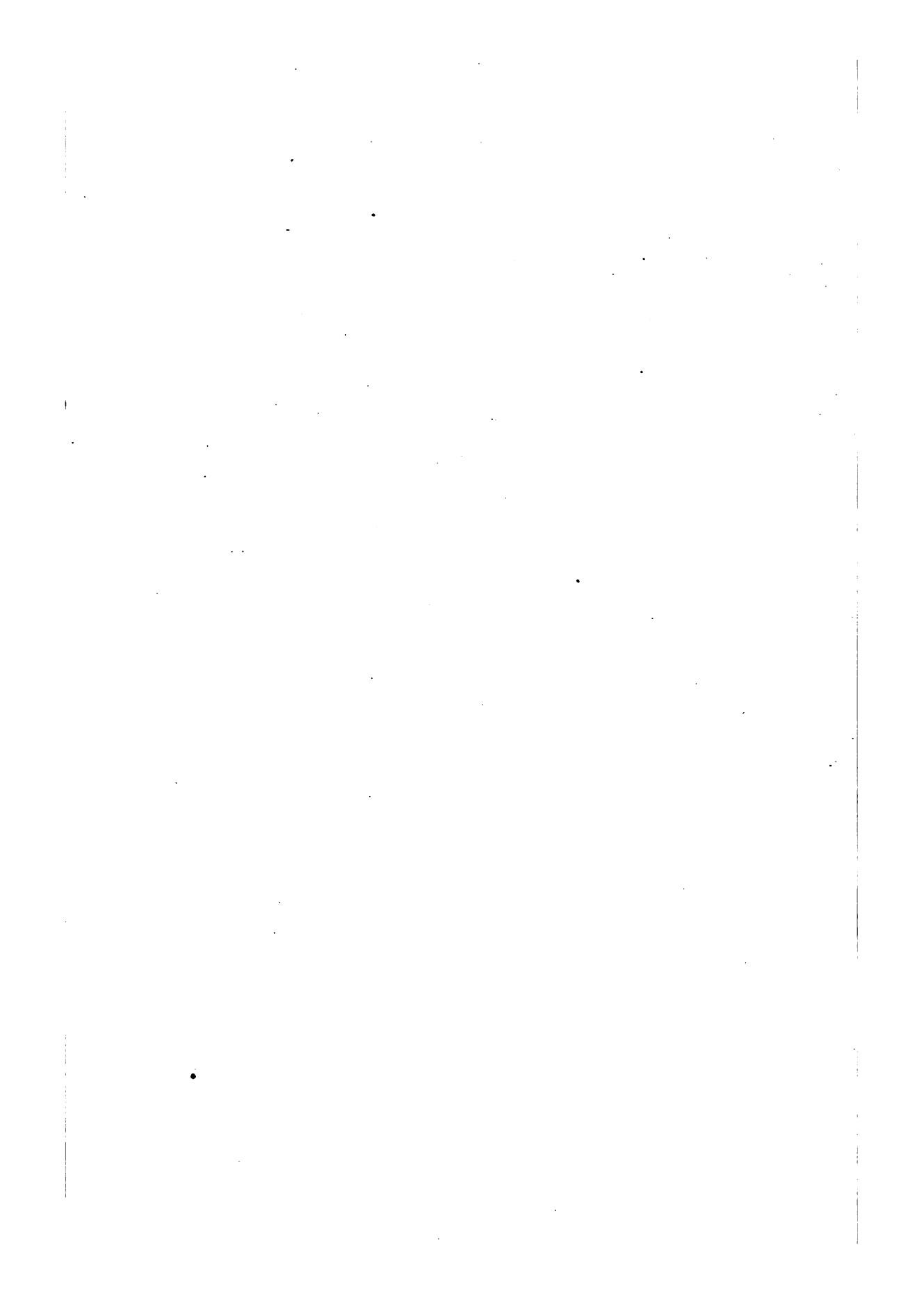




*DR. ISIDOR SINGER

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PROCEEDINGS

OF THE

Thirty-Fifth Annual Meeting

OF THE

Fire Underwriters' Association

OF THE NORTHWEST



CHICAGO, ILL., SEPTEMBER 28-29, 1904

PRINTED BY ORDER OF THE ASSOCIATION

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THIRTY-FIFTH ANNUAL MEETING

OF THE

FIRE UNDERWRITERS' ASSOCIATION

OF THE NORTHWEST.

PRESIDENT.

H. H. FRIEDLEY..... INDIANAPOLIS, IND.
State Agent Insurance Co. of North America.

VICE-PRESIDENT.

F. W. BOWERS..... ST. LOUIS, MO.
State Agent Phoenix Insurance Co., Hartford.

TREASURER.

W. R. TOWNLEY..... CHICAGO, ILL.
General Agent Western Assurance Co., Toronto.

SECRETARY.

D. S. WAGNER..... CHICAGO, ILL.
Adjuster.

BOARD OF DIRECTORS.

BASSETT, NEAL..... CHICAGO, ILL.
Special Agent Firemen's Insurance Co., N. J.

BOWERS, F. W..... ST. LOUIS, MO.
State Agent Phoenix Insurance Co., Hartford

COWLES, C. S..... MERRIAM PARK, MINN.
Special Agent Royal Insurance Co.

FRIEDLEY, H. H..... INDIANAPOLIS, IND.
State Agent Insurance Company of North America

HATFIELD, S. K..... PEORIA, ILL.
Special Agent American Insurance Company, N. J.

HITCHCOCK, W. E..... OMAHA, NEB.
Special Agent Liverpool and London and Globe Ins. Co.

MEEKER, C. G..... CHICAGO, ILL.
Special Agent Concordia Fire Insurance Company.

MILLER, W. L. W..... DENVER, COL.
Special Agent Western Assurance Co., Toronto

ODELL, R. S..... CHICAGO, ILL.
State Agent Phoenix Insurance Co., New York

SNYDER, CLAUDE F..... MEMPHIS, TENN.
Special Agent Manchester Assurance Company

TOWNLEY, W. R..... CHICAGO, ILL.
General Agent Western Assurance Co., Toronto

WAGNER, D. S..... CHICAGO, ILL.
Adjuster.

WILLIAMS, FRED. W..... CHICAGO, ILL.
General Agent Aachen and Munich Fire Ins. Co.

PROGRAM OF THIRTY-FIFTH ANNUAL MEETING

FIRST DAY.

OPENING SESSION—9:30 A. M.

Reports of Standing Committees.	Reports of Officers.	Election of New Members.
PRESIDENT'S ADDRESS.		
Annual Address—Mr. J. L. Cunningham, Glens Falls, N. Y.	President Glens Falls Insurance Company.	
Discussion.		

AFTERNOON SESSION—2:30 P. M.

Paper—"Elevator and Grain Business in the Northwest." Mr. Frank A. Mannen, Minneapolis, Minn. State Agent Fireman's Fund Insurance Company.	
	Discussion.
Paper—"Individuality in Fire Underwriting." Mr. Cyrus K. Drew, Denver, Colo. Editor Insurance Report.	
	Discussion.
Paper—"State Fire Marshal Offices." Mr. A. G. Sanderson, Columbus, Ohio. State Agent Aetna Insurance Company.	
	Discussion.
Paper—"The New Learning." Mr. W. H. Stevens, Watertown, N. Y. Secretary Agricultural Insurance Company.	
	Discussion.

SECOND DAY.

MORNING SESSION—9:30 A. M.

Paper—"Underwriting from a Supervisor's Standpoint; Supervision from an Underwriter's Standpoint." Hon. James V. Barry, Lansing, Mich. Insurance Commissioner for the State of Michigan.	
	Discussion.
Paper—"The Conflagration Hazard." Mr. S. H. Lockett, Chicago. Manager Engineering Department Insurance Survey Bureau.	
	Discussion.
Paper—"Insurance Men and Business, from a Lawyer's View." Hon. Smiley N. Chambers, of the Indianapolis Bar.	
	Discussion.

AFTERNOON SESSION—2:30 P. M.

H. H. Friedley, President.	Reports of Special Committees.	D. S. Wagner, Secretary.
Election of Officers for the Ensuing Year.		

PROCEEDINGS

OF THE

Thirty-Fifth Annual Meeting of the Fire Underwriters' Association of the Northwest.

*Held at the Auditorium Hotel, Chicago, Ill.,
September 28th and 29th, 1904.*

FIRST DAY.

OPENING SESSION.

WEDNESDAY, September 28, 1904.

President Friedley called the meeting to order at 9:30 A. M.

Present: D. S. Wagner, Secretary, and the following regular members, viz:

Abbot, W. S.	Barnum, Raynolds	Bloom, Nelson A.	Carlisle, E. G.
Affeld, Chas. E.	Barnum, W. L.	Bonar, L. J.	Carpenter, J. D.
Alexander, F. W.	Bassett, Neal.	Boning, Herb. E.	Carver, J. G.
Althouse, W. L.	Bawden, E. T.	Bort, L. W.	Caswell, J. H.
Alzen, Carl A.	Becker, E. A.	Bowers, F. W.	Cate, S. E.
Andrews, C. L.	Belden, J. S.	Brant, J. A.	Cavanagh, W. A.
Andrews, D. W.	Bell, G. H.	Braun, W. F.	Chamberlin, W. O.
Andrus, S. D.	Benedict, Frank M.	Briggs, N. E.	Chapman, E. F.
Armstrong, G. A.	Benedict, H. O.	Briggs, R. R.	Chapman, W. A.
Atwater, Walter E.	Bennett, H.	Brooks, Fred. S.	Clark, A. A.
Bailey, Geo. A.	Bennett, R. M.	Brooks, John W.	Clemens, W. H.
Bailey, O. M.	Bennett, Wm. L.	Brown, Grant R.	Cleveland, Geo. W.
Baker, Thos. Jr.	Benton, W. P.	Brown, Wm. C.	Cloud, Jos. A.
Baldwin, D. A.	Best, J. G. S.	Buck, Randolph.	Clough, Allen E.
Ball, Geo. H.	Birch, W. H.	Bullard, A. F.	Cofran, J. W. G.
Barnard, C. F.	Bisbee, W. T.	Burke, F. H.	Colburn, Edgar L.
Barnes, Fred. B.	Blackwelder, I. S.	Bush, J. B.	Collins, B. F.
Barney, F. H.	Blauvelt, Albert.	Caldwell, J. T.	Collins, U. S.
Barnum, H.	Bliven, Waite.	Campbell, S. F.	Colson, H. W.

REPORT OF MEETING OF BOARD OF DIRECTORS.

September 27th, 1904.

Members present:—H. H. Friedley, W. R. Townley, W. L. W. Miller, F. W. Bowers, C. G. Meeker, R. S. Odell, C. F. Snyder, D. S. Wagner.

Two of the members of the Finance Committee being absent, Messrs. Snyder and Miller were appointed by the President to act as substitutes on the Finance Committee.

The report of Mr. Niel Bassett and Secretary Wagner as to the arrangement made with the Auditorium Hotel Co. for luncheon on the 29th, was approved and the President was instructed by resolution to appoint a committee to have charge of the banquet, of which Mr. Bassett should be chairman.

Several names of applicants for membership were presented, all of which were approved.

D. S. WAGNER, *Secretary.*

The President—

Gentlemen, you have heard the report of the Directors' meeting, what is your pleasure?

Mr. J. H. Griffith—

I move that it be approved.

The President—

Is there anything further to be said in regard to the report of the Directors' meeting?

Mr. Wagner—

The Board of Directors also recommend that Mr. Ed. C. Hard-
ing, of Cincinnati, Ohio, local agent, be transferred from active
to the associate list, also Mr. H. M. Smith, of Terre Haute, Ind.

Mr. Frank Ritchey—

I move that such action be taken by the Association.

Motion carried.

The Secretary—

The Board of Directors also recommend that the following gentlemen be dropped from the membership list for non-payment of dues: Theo. W. Briggs, Appleton, Wis.; H. W. Clarke, Winona, Minn.; Saml. W. Faber, Indianapolis, Ind.; C. R. Gadsden, Chicago; Ralph Haverstick, Rock Island, Ill.; Chas. S. Hill, Pueblo, Colo.; L. H. Salomon, Chicago; J. D. Sheahan, Chicago; C. L. Whittemore, St. Louis, Mo.; Louis M. Wise, Chicago; A. S. Witherbee, Milwaukee, Wis; John P. Young, Louisville.

The President—

What is your pleasure? Will you approve the action of the Board of Directors? If there is no motion to that effect I will take it by consent.

The Secretary—

They also recommend that Mr. James Wyper be placed on the honorary list.

The President—

What will you do with the recommendation, gentlemen?

Motion to approve the action of the Board of Directors duly seconded and carried.

The Secretary—

They also recommend that the following members be expelled from membership: A. C. Mink, Ed. W. Windle.

The President—

What is your pleasure, gentlemen? Will you approve the action of the Board?

Motion made and carried.

The Secretary—

The following members have tendered their resignations, which we have accepted, but give you the names as a matter of information: Mr. T. F. Croskey, Mr. A. C. Speed, Mr. George Lyster, Mr. Otto Schupp, Mr. L. E. Hildreth, Mr. J. J. L. England, Mr. Charles Hall.

The President—

You have heard the names of the gentlemen who have severed their connection with the Association by resignation. There is no motion necessary in that case.

The President—

The next order of business is the reports of the officers, and we will now listen to the report of the Secretary.

THIRTY-FIFTH ANNUAL MEETING.

REPORT OF SECRETARY.

CHICAGO, ILL., September 28th, 1904.

Membership at convening of 1903 meeting.....	598
Admitted at 1903 session	87
	<hr/>
Total.....	685
Deaths since 1903 session	7
	<hr/>
Resignations and dropped for delinquent.....	678
	<hr/>
Expelled.....	18
	<hr/>
Present membership	660
	<hr/>
	2
	<hr/>
	658

Respectfully submitted,

D. S. WAGNER, *Secretary.*

The President—

Gentlemen, you have heard the report of the Secretary. I don't suppose it is necessary to have a formal approval of it. Anything further on your list, Mr. Secretary? If not, we will now have the report of the Treasurer.

REPORT OF TREASURER.

Balance on hand September 30, 1903..... \$3,757.76

RECEIPTS.

Dues 1900.....	\$ 10.00	
Dues 1901.....	35.00	
Dues 1902.....	92.50	
Dues 1903.....	2,597.50	
Dues, New Members	510.00	
Dues, Paid in Advance.....	70.00	
Sales of Proceedings	67.00	
Interest on Deposits	92.65	
	<hr/>	
	\$3,474.65	\$3,474.65
	<hr/>	
	\$7,232.41	

REPORT OF TREASURER.

15

DISBURSEMENTS.

Rent to October 1, 1904.	\$ 426.10
Salary to Secretary	450.00
Salary of Treasurer.....	250.00
Expended for Library Committee.....	593.93
Printing Proceedings, etc.....	635.10
Reporting Proceedings	75.00
Postage, Express and Exchange.....	141.05
Miscellaneous Items of Expense.....	86.00
	<hr/>
	\$2,657.18
Balance on hand Sept 27, 1904.....	<hr/> \$2,657.18
Amount belonging to General Funds of Association	\$3,669.16
Amount representing balance of Library Appropriation	<hr/> 906.07
	<hr/> \$4,575.23

W. R. TOWNLEY, *Treasurer.*

ILLINOIS TRUST AND SAVINGS BANK.

CHICAGO, September 27, 1904.

FIRE UNDERWRITERS ASS'N OF THE NORTHWEST, Chicago, Ill.

Gentlemen:—The balance to the credit of your account with us at the close of business today, according to our books, is forty-five hundred and seventy-five dollars and twenty-three cents (\$4,575.23). Yours truly,

F. I. COOPER, *Ass't Cashier.*

The President—

You have heard the report of the Treasurer, and we will now have the report of the Finance Committee in connection with it.

REPORT OF FINANCE COMMITTEE.

*To the President and Members of the Fire Underwriters' Association
of the Northwest:*

GENTLEMEN:

Your Committee to whom was referred the auditing of Treasurer's reports and accounts, beg leave to report that we have examined the same and found them correct as per statement attached hereto.

C. G. MEEKER,
W. L. W. MILLER,
C. F. SNYDER.

The President—

What will be done with these reports, gentlemen, take them together? Any motion?

Motion made by Mr. Chas. Richardson that same be accepted, which was seconded by Mr. Fowler, and duly carried.

The following new members were duly elected during the meeting:

Geo. A. Arens, Chicago, Ill., Special Agent Ins. Co. of North America.
 Wm. T. Benallack, Chicago, Ill., Special Agent Western Facy. Ins. Assn.
 Edgar W. Bishop, Kansas City, Mo., Special Agent Hamburg Bremen Fire Ins. Co.
 E. E. Blodgett, Chicago, Ill., Special Agent N. B. & M. Ins. Co.
 Horace W. Boyd, Newcastle, Ind., Special Agent Royal Insurance Co.
 R. J. Burlingame, Chicago, Ill., 159 La Salle St., Adjuster.
 F. C. Buswell, New York, Vice-President Home Insurance Co.
 P. W. Cadman, Chicago, Ill., Supt. of Agencies Royal Insurance Co.
 W. B. Calhoun, Milwaukee, Wis., Special Agent Home Insurance Co., N. Y.
 C. W. Cartwright, Minneapolis, Minn., Special Agent Northern Assurance Co.
 H. M. Coudrey, St. Louis, Mo., General Agent Star Ins. Co. of Louisville.
 H. W. Crowell, Detroit, Mich., Special Agent Phenix Insurance Co., N. Y.
 B. M. Culver, St. Paul, Minn., Special Agent Scottish Union & National Ins. Co.
 Lewis F. Daniel, Minneapolis, Minn., Special Agent Queen Insurance Co.
 L. S. Day, Chicago, Ill., Special Agent Continental Insurance Co.
 A. G. Dugan, Chicago, Ill., General Agent Hartford Fire Insurance Co.
 Wynn C. Gerow, Kalamazoo, Mich., Special Agent Scottish Union & Nat'l Ins. Co.
 F. M. Gund, Freeport, Ill., Ass't Sec'y German Insurance Co., Freeport.
 J. Quincy Haas, St. Paul, Minn., State Agent Rochester German Insurance Co.
 R. T. Huggard, Columbus, O., Special Agent Springfield F. & M. Insurance Co.
 Arthur F. Heben, Milwaukee, Wis., Special Agent German Ins. Co., Freeport.
 Thos. P. Herbert, Minneapolis, Minn., Special Agent L. & L. & G. Insurance Co.
 Carl E. Hilbert, Milwaukee, Wis., Special Agent, Orient Insurance Co.
 C. T. Ingalls, Oklahoma City, Okla., Manager Okla. & Ind. Terr. Insp. Bureau.
 Wm. F. Jacobs, Chicago, Ill., Adjuster with A. Loeb & Son.
 W. P. James, Indianapolis, Ind., Special Agent National Fire Ins. Co., Hartford.
 Oliver E. Johnson, Cedar Rapids, Ia., Special Agent Ins. Co. of North America.
 Preston T. Kelsey, Chicago, Ill., Asst. Manager Sun Insurance Office.
 Geo. P. Kessberger, Springfield, Wis., State Agent Milwaukee Mechanics Ins. Co
 Chas. D. Kidd, Dayton, O., Special Agent Delaware Ins. Co.
 W. H. Kinney, Springfield, Ill., Phenix Insurance Co., N. Y.
 F. K. Lundy, Minneapolis, Minn., Special Agent Sun Insurance Co.
 A. A. Maloney, Kansas City, Mo., Special Agent Continental Insurance Co.
 L. B. Manson, Louisville, Ky., State Agent, Aetna Insurance Co.
 L. F. Margah, Detroit, Mich., State Agent Sun Insurance Office.
 E. C. Maxfield, Superior, Wis., Surveyor, Fire Underwriters' Association.
 Clarke J. Munn, Milwaukee, Wis., Adjuster.
 Wm. H. Munns, Chicago, Ill., Special Agent Pennsylvania Fire Insurance Co.
 John H. Nelson, Indianapolis, Ind., Special Agent.
 Jas. M. Newburger, Chicago, Ill., Manager Scottish National Insurance Co.
 E. E. Olinger, Topeka, Kan., Special Agent Providence-Washington Ins. Co.
 C. W. Pierce, Chicago, Ill., Special Agent Palatine Insurance Co., Ltd.
 Guy H. Reyburn, Peoria, Ill., Special Agent Atlas Assurance Co.
 A. C. Robertson, Menasha, Wis., Special Agent Phenix Insurance Co., N. Y.
 R. G. Scheunemann, Chicago, Ill., Special Agent Western Underwriters' Assn.
 E. M. Schoen, Kansas City, Mo., Special Agent London & Lancashire Ins. Co.
 John L. Smith, Louisville, Ky., Special Agent Hamburg Bremen Fire Ins. Co.

Herman B. Springer, Minneapolis, Minn., State Agent Agricultural Insurance Co.
Isaac Stephens, Detroit, Mich., Adjuster.
Geo. A. Stickney, Chicago, Ill., Special Agent Connecticut Fire Insurance Co.
Alfred Stinson, Des Moines, Ia., Special Agent National Fire Ins. Co., Hartford.
Edwin R. Townsend, Columbus, O., Elec. Insp., Ohio Inspection Bureau.
W. W. Waddell, Chicago, Ill., Special Agent, Delaware Insurance Co.
Kelsey L. Walling, Toledo, O., Special Inspector Ohio Inspection Bureau.
Arthur J. Weed, Indianapolis, Ind., Special Agent Norwich Un. Fire Ins. Society.
C. A. Wehmeyer, Goshen, Ind., Inspector.
S. F. Weiser, Chicago, Ill., Special Agent Dubuque F. & M. Insurance Co.
Frank P. Welpton, Omaha, Neb., Special Agent Northern Assurance Co.
David D. West, P. O. Box 353, Kalamazoo, Mich., Special Agt. Federal Ins. Co

(Vice-President F. W. Bowers takes the chair).

Vice-President—

We will now listen to the President's address.

PRESIDENT'S ADDRESS.

GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE
NORTHWEST:

In behalf of the Directory of this Association, it affords me great pleasure to welcome you to this, the thirty-fifth annual meeting. I bespeak for you both pleasure and profit in the two days attendance; pleasure in greeting and renewing friends and friendships, profit in exchanging and garnering the grains of thought relating to our business contained in the program of papers and discussions to come before you. This welcome is extended to you and your friends, whether directly connected with the business or not; to your wifes and sisters; to the members of the Press, or others who may be interested with us in the subjects to be discussed—some of them so broad in scope as to concern the public in general and other interests fully as much as it does our own beloved profession.

The history and purposes of this Association were fully set out in the magnificent address by Mr. J. O. Wilson, (now deceased) at the annual meeting in 1896 and briefly recalled in the President's Address two years ago, to both of which addresses I beg to refer you. Permit me to say, however, that the Association now has a membership of near seven hundred, largely consisting of managers and field men, the best of the profession; and I venture the assertion that in the same number of men anywhere in the universe, there could not be found a greater proportion of intelligent, wide-aware, progressive, honorable and honest business men. The last named adjective should be emphasized for the reason that the very essence of our business is dealing with the misfortunes of others and a superficial public that has nothing but affected sympathy to give to the sufferer, impunes our motives and questions our actions unless we pay the whole insurance

whether legally or morally liable under the contract. This alleged sympathy has led to valued policy laws and other statutes, the evident purpose of which was to make us honest by legislation. This is done in face of the fact, as you know, as history will show and as the public ought to know, that in proportion to the amount at stake there is less dispute and less litigation than involves any other legitimate business. I say these merited good things about you looking you in the eye while living—even your enemies will say them of you after you are dead.

What of these thirty-four years of life of the Association? What progress has been made by us and what advancement in the business in which the membership is so deeply concerned?

Some examples and a brief review with some figures would not be out of place and I promise you in advance not to tax your patience.

Thirty-four years ago five leading companies of Hartford had combined assets of \$11,183,263 with a surplus of \$1,816,800. In the last year's official report practically these same companies had assets of \$43,969,764 with a surplus of \$13,000,724.

Thirty-four years ago five leading New York companies had assets of \$10,031,063 with a surplus of \$1,177,560. In the last report they had assets of \$45,560,981 with a surplus of \$17,285,000. I am quite of the opinion that five of the leading foreign companies would show a proportionate increase, but I am unable to give figures for the reason than when a calamity comes these good people have a way of "getting a letter from home," the contents of which do not always get into statistics.

The examples show a wonderful financial advance, notwithstanding some years of great losses and conflagrations that at the time strained every fibre of their credit. Some have fallen by the way-side, or have been engulfed in the abyss of losses and mismanagement. But if the figures given are in any way indicative of the general advancement of the business, why is it that at this time there is not sufficient insurance capital, exclusive of Lloyds, Mutuals and other side issues, to furnish indemnity to cover values wherever found? If there is not, would it not be true that legitimate fire insurance has not kept pace with our great industrial prosperity? If the business and social needs require the building of large cities and concentration of large values, should not capital invested in legitimate fire insurance, the hand-made of commercial stability, be there seeking the income? If it is not there we are safe in the inquiry as to whether the tenets of this great Association are in harmony with teachings and principles that would have brought, it is reasonable to conclude, different results within these thirty-four years? Note the first resolution introduced and adopted.

"Resolved: That we do hereby organize ourselves into an Association for the purpose of promoting harmony and correct practices in the profession."

Can the oldest member within this hall recall anything that was ever done or sanctioned at any one of the thirty-four meetings past, that was contrary to the spirit of that resolution? Who cannot now believe that if this spirit had permeated and more largely influenced the business and the ideals of this Association carried out, much more favorable figures could be given that would be applicable to the business as a whole? If rate wars had been unknown, if the common burdens of the business had been proportionately borne by all,—if in an underwriting sense, "for the good of the many," had been a matter of deep concern to each individual company as it has been to this Association, how much greater the advancement and how much higher the position attained. Taking as a text every address delivered, every sentence written and every sentiment uttered, this Association can, on these lines, invite the caustic pen of the critic or the truthful record of the historian.

By the above implied criticisms it is not to be inferred that great progress has not been made in directions other than in the increase of assets and liabilities. The up-to-date underwriter is quick to learn of new inventions and new avenues of business and spares no expense in getting expert information relating to the fire hazard connected therewith. He needs to know it all. Rates are to be made on equitable, and so far as possible on a statistical basis; fire fighting devices and appliances are to be tested and approved; encouragement is to be given for the better constructed buildings and occupancies; fire maps for the physical hazard of the risk and commercial reports for the moral are necessary; agents are to be held in line, losses adjusted and salvages handled, in all of which and in many more ways each company has an individual interest in common with all others in proportion to the liability assumed. This necessity has developed within the last few years marvelously improved but still limited systems of co-operations which have often had the best thought of the Association.

And this brings to my mind the thought that we may not always use the less expensive tools at hand. Do we present a solid front and make common cause of penalizing by advanced rates, or the entire withdrawal of our confidence if necessary, from a city or community that neglects to adopt reasonable and proper rules for the prevention of the fire waste, such as electric wiring code, fire limits etc. Do we unite in every effort to see that our building ordinances of our growing cities are made the means of protecting to life and property? Do we unitedly join our great interests in a protest when a grafter instead of a builder is appointed inspector

under such ordinances? Is it not clear that while we may have been doing some individual thinking, we have been doing no united acting when it is shown after the sacrifice of seven hundred valuable lives here in this great city of Chicago, that an ordinance that permitted every fire trap of a theatre to remain open and crowded to its utmost capacity; yet this identical ordinance is sufficient to close every one of them after the human sacrifice has been made. Other ordinances relate to construction of buildings, etc., and the same inspector is supposed to enforce them,—and is it not reasonable to suppose that the provisions applying to this proper construction are just as negligently and I may say, criminally over-looked? I think that you will agree with me that in this day of enlightenment and progress a man of whatsoever creed or profession is chargeable with a duty to the public in proportion to his knowledge and opportunity. If this is true, should not our special knowledge as underwriters aid us to our duty as citizens, and should we not unitedly lead in affairs of state that so greatly concern our business welfare?

As another example in this line, where is the self-respecting fire underwriter who has not felt an indignant contempt for the Shanklins and Lowells and Cormorants of like ilk who used our honored business to prey upon the misguided and unfortunate. They have brazenly carried on this system of worse than highway robbery with an unenforced statute of the United States plainly in view that sent them scattering like rats from a sinking ship as soon as put in action.

With these examples of long unused tools and the great results that have or will follow their use, may we not hope that our Executive Insurance Commissioners may find some way to put a proper restraint upon the always tax dodging and very, very often irresponsible Lloyds.

We would count ourselves favored beyond nature's immutable laws if we did not find it necessary to refer to the year's departed members who will hereafter be known only in the love and affection cherished by the living and the record the dead have left behind. During the year the following members have passed to the Eternal Beyond.

George W. Adams, President of the Association in 1879, nearly his whole life of Chicago and late of Tiffin, O., referred to in Mr. Wilson's historical address as having attended every meeting of this Association after the first. Many of you will recall his patient and faithful work in behalf of the Association.

Daniel C. Osmun, Jr., for many years Special Agent and Adjuster of the Central Field, but late of Denver. His many friends recall the deep friendship and pleasant greetings of "Danny."

A. F. Townsend, Chicago, Ill., Special Agent of the Northern Assurance Company, for many years a faithful and active member of the Association.

Jerome B. Hall, General Adjuster of the Girard Fire and Marine Insurance Company, long an active member of the Association, at the last annual meeting was placed on the list of honorary membership.

Eugene Cary, Chicago, Ill., Manager of the German American Insurance Company. He was a warm friend of the Association, faithful in his attendance and wise in counsel. His death is a great loss to the Association and the underwriting public.

James Cromer, Special Agent of the Home Insurance Company of New York, but twenty-five years old, educated in the classics, thoroughly equipped for the business, earnest and enthusiastic, he entered the profession with a bright future, joining the Association last year.

Henry M. McGill, for many years Western General Agent of the Phoenix of Hartford, illustrious in the profession, great in the accomplishment of this life's work, an active member of this Association up to two years ago, at which time he was placed upon the list of honorary membership.

I have appointed committees to prepare resolutions upon the death of each member. These committees are to report tomorrow.

On the death of GEO. W. ADAMS—W. F. Fox, chairman.

On the death of DANIEL C. OSMUN, JR.—J. Frank Edmunds, chairman.

On the death of A. F. TOWNSEND—H. H. Rassweiler, chairman.

On the death of JEROME B. HALL—Henry W. White, chairman.

On the death of EUGENE CARY—I. S. Blackwelder, chairman.

On the death of JAMES CROMER—H. H. Walker, chairman.

On the death of H. M. MCGILL—H. H. Heaford, chairman.

LIBRARY.

I am quite sure that the membership of this Association fully realize the importance and great good that may come to the individual membership, especially the young, through the growing library now the cherished property of the Association. An appropriation of \$1,500 was recommended in my predecessor's address, which recommendation, I am glad to say, was approved by you and that amount was afterwards placed to the credit of the Library Committee, that was appointed by me and sanctioned by the Directors. This committee consists of W. L. King, chairman; A. F. Dean, Thos. H. Smith, W. R. Townley and H. T. Lamey, who have made excellent progress and to whose report I beg to call your careful attention. This committee has investigated and fully understands the needs of the library and, no doubt, you will have pleasure in approving the recommendation that it may make. That the needs of the library may be emphasized and brought fresh to your mind, I quote from this committee's preliminary

report, as follows: As your Committee has studied this work it has become imbued with far reaching hopes which it believes can be brought to a comparatively early and full fruition. Briefly, stated, these are as follows:

The collection of all useful literature relating to the business of fire insurance.

The housing of same in roomy and pleasant quarters, under the charge of a permanent Librarian.

The development of a plan whereby the contents of the library, to some extent, may circulate freely among members.

The preparation of a well classified catalogue for their individual use, and ultimately the publication of a journal, which shall have for its purpose the making of the Association as great a success from an educational standpoint as it is now from a social one.

The one permanent source of revenue with which to carry on this work at present is the fund produced by the annual dues paid by a present membership of about seven hundred. This is steadily increasing under existing conditions, but with the added attraction of a well equipped library there is reason to think the membership would rapidly assume such large proportions that the annual meetings of the Association would become the annual event to the American Fire Underwriters. Another probable source of help may be found in the companies themselves. There is undoubtedly a growing appreciation on their part as to the value of a good library within reach of their field men, and it is believed that they will contribute liberally to its firm establishment along the lines laid down when the subject is properly presented to them.

An initial expense to be incurred will be the employment of a Librarian, and in this connection the Committee wish to ask your consideration of a proposition to combine the work now done by the Secretary and Treasurer in some degree with that which must be done by the Librarian. This would bring about an annual saving of several hundred dollars and would enable the Association to secure the services of a thoroughly competent individual who would give his entire time to its various interests.

Ex-President Marshall also recommended that the companies be invited to contribute to the library fund, but nothing has been done in that direction. It is possible, however, that the Committee now has in mind some feasible plan by which a fund can be raised other than by the annual dues.

At our last annual meeting an amendment to the by-laws was approved permitting election of President and other officers of the Association from the membership instead of limiting to the Board of Directors. You will take notice, therefore, that it is not now necessary that these officers be first upon the Board of Directors.

From the report of the Secretary and Treasurer you will note that the Association is in a prosperous condition, occupying as it does a most unique place in the history of Fire Underwriting, the nucleus being a little coterie of field men, their first meeting held in a room of a hotel. In thirty-four years, a short generation, it has grown to be the most influential organization of the kind in the world. I cannot do better than to quote the language of Ex-President Wood, in describing its purpose. "In other departments of our work jealousies may disrupt, competition dishearten, and conflagration may destroy; but here all shades of opinion are welcome, here all men are equal in rights of membership and enjoyment of benefits. Here friendships are formed, wounds of competition are healed, the jealousies of ambition are softened, all being buried in the glad hand of welcome and regretful farewells."

The Association is safe in the hands of its membership now and for the future. It is built upon a rock as firm as fire underwriting itself. It has kept in the very vanguard of the business and its influence has ever been on the side of progress and justice. May its beneficent star brighter and brighter shine, and may its shadow never grow less.

The Vice-President—

Gentlemen, you have all enjoyed, I am sure, the very able and interesting address of your President. He has made many suggestions worthy of your most careful consideration. It is fitting and precedent requires that the President's address be referred to a committee of five, to be selected by the chair, and a motion to that effect will now be in order. What is your pleasure?

Mr. Frank A. Verner—

I move that the President's address be referred to a committee of five, to be appointed by the chair.

Motion passed.

The Vice President—

I will appoint on that committee, Thos. Baker, Jr., C. Richardson, C. L. DeWitt, B. T. Duffey and D. J. Matteson.

(President resumes the chair).

The President—

The Association counts itself fortunate in securing this year for the Annual Address, a gentleman so well known in the underwriting field—a gentleman with a company behind him that has a record of never showing a loss year or passing a dividend. The Board of Directors have specially congratulated the membership on securing for this annual address, Col. J. L. Cunningham, who will now address you.

ANNUAL ADDRESS.

MR. PRESIDENT AND GENTLEMEN:

I am not at all indifferent to the honor of your invitation to meet the membership of this ancient and honorable Association at its present convention. I cordially thank you for the favor and just now sympathize with those most responsible for it, for they may be mentally reciting the small boy's dinner blessing: "O, Lord, forgive us for what we are going to get."

I am always pleased to visit Chicago, not only for what the city intrinsically is in and of itself in so many ways beside being an important insurance center, but also because of my admiration for the loyalty of its citizens.

I wish that fire underwriters might, as a whole, have that confidence and pride in the present greatness and future promise of their business which the people of this city have in its present and future; and this, too, notwithstanding that the waters of Lake Michigan limit the extension of her inter-state boulevards in that direction and practically excluding the including of any part of Canada within a still greater Chicago; perhaps I should say a still larger Chicago, in the sense of that proudly precise Bostonian who is reported as saying: "We may ultimately have a larger Boston, but can hardly expect a greater."

Loyalty, municipal or other, is commendable even if carried to the perhaps unreasonable extent of the Chicago dealer in mortuary monuments who lost a profitable contract because he refused to inscribe on the proposed cenotaph of a deceased fellow citizen the words, "He has gone to a better place."

I can assure you of my hearty appreciation of that branch of underwriting service so ably represented by much the larger portion of your membership, those who all through the years have been active and influential exponents of our business throughout the broad field of its operation; and not to know of the Northwestern Underwriters' Association, something of its members and of the glory of its history, would disqualify a cross-roads stamp clerk.

I shall indeed be happy if I am fortunate enough to escape from this meeting with something of your indulgent good will and charitably exercised remembrance.

You are not all strangers, for I have before now met some of you and in various ways have pleasantly heard of others of you, and am sure these are but average samples of your entire membership.

Before the Glens Falls had a western department I quite regularly attended your annual camp fires and always gathered profitable information and instruction and "taking in" the energizing insurance ozone of your personality and proceedings have been refreshed in mind and spirit. Since then I have read your papers

and discussions as cream parts have been promptly published by enterprising journals, and as your complete publications have rather hesitatingly reached me too many months later. I also claim the tie of fellow-membership, from my youth up, paying my dues with more or less promptness according to the more or less industrious urgency of our treasurer.

It may be presumption to recall from a kindly forgetfulness that in 1878 I had the honor of "doing" a paper at the meeting of that year, which had enough of insinuated heterodoxy to give it some notoriety. Its theme was "Is it so much a question of rates?" and it has certainly been demonstrated by several phases of underwriting since, including rate wars, that it is perhaps too often and too much more a question of getting and

HOLDING BUSINESS.

I was tempted to further discuss the same question, in the light of a quarter-century's experience since, and you will hardly escape repetition of some of the things then said. The general idea of the paper was that the question of rates, representing income, had overshadowed the expenditure side of the ledger, rendering the figures of the debit page too obscure to managerial vision, and there is still what may be called convergent stigmatism in looking at insurance outgo.

Altogether, then, I do not feel like "a stranger in a strange land of strangers."

But, gentlemen, it is one thing to meet and greet you, but quite another thing to address you, you who more than others have for years been saturated with the best treatment of insurance themes from the ablest men in the business, until you have so many volumes of your own proceedings and these so rich in insurance literature as to be worthy the library benefaction of Mr. Carnegie.

In some cases of invitation to talk to insurance men I have been inferentially complimented by being cautioned against offering instruction or advice, and I am sure I never much offended in this respect, nor am I likely to now.

The truth is, most insurance men, field men especially, realize no pressing need of advice or instruction, having so much on hand which they have never used.

Our literature is certainly abundant in instructive wisdom, in the practical and helpful, the hopeful and encouraging; but there is a plenty that deals with magnified evils and even with ghostly apprehensions which have never arrived.

You know that there are men, good men, too, who always say they are pretty well "exceptin'," who can hardly bear having a happy, healthy feeling and admit it, who "enjoy" poor health and "complain" of feeling better. Others may be classed with the self-appreciating English butler who said in explaining the cause of

ocean tides, "Nobody rightly knows. Some gives their opinions, but if I was to give mine it 'ud be different."

Of an eminent physician, very slow and deliberate, it is said that "he is an able diagnostician, but that his diagnosis of a case too often drags itself into complications with the post mortem."

These individual characteristics often get into insurance literature, and very likely you will discover it during my present talk.

One of the natural subjects to "fire" at an insurance gathering and at the same time restrain excess of hilarity and repress any over-exuberance of spirit is the evils which afflict the business; sporadic and epidemic wrongs, acute and chronic burdens, which have since our "memory runneth not to the contrary" been proclaimed as threatening the very life of a business which has during this present year splendidly demonstrated its marvelous health, strength and vitality.

While not wishing to recall the expensive sorrows of the several conflagrations of this year, may we not glory in the fact, and rejoice in it until it is eclipsed by some greater business miracle, that not only did fire insurance promptly and honorably meet and discharge the millions of dollars of these conflagration claims, but also met the millions of claims of unburned policyholders that the indemnity which they held and for which they had paid should continue

SOLVENT NOTWITHSTANDING!

It is worth remembering that our business had so long recognized the fact that conflagrations are but the extraordinaries of the business as to have provided for several of these "extraordinaries" following each other within a brief period! Business and commercial chaos would have resulted had fire insurance itself been burned out in these destructive fires, and it would indeed be reprehensible should we forget that the insurance tax must continue to include assessment for conflagration hazard, for most of our cities are as subject to it as were those which have experienced its visitation.

This Association is to be congratulated upon its exceptional longevity, for it has grown in influence and membership through more years than constitute a generation. This may be somewhat due to the fact that your code of obligations does not involve the frictions of business competition, and happily influences forgetfulness of militant conditions. It illustrates the fact that the fewer and more simple the rules, regulations and pledges an insurance organization has the greater its promise of continuity.

It should occasion no wonder that large organizations which deal with the methods and finance of the business should prove more or less ephemeral. The instinct of human nature which impels men to enter into rivalry is about as fundamental as that which sends them in search of food, and it is natural to fret and

chafe under business constraints and restraints—to be fenced in when there are real or seeming advantages just outside the fence, and ordinary, every day human nature is not largely regenerated by insurance baptism. It is hardly possible to bring all insurance companies together in a continuing equality, for things which will be of indifferent importance to some may at least be considered essentially important by others. The stronger or more aggressive will have different interests and views of interests from the weaker and more conservative, and it is difficult for larger companies to maintain equal regard for their smaller associates. In quite every zoological garden there is a "happy family" aggregation, where sheep are caged with mutton-loving beasts of the forest and jungle, but you will find that the sheep have to be renewed occasionally, and the ferocity of business competition is not all eliminated by written pledges and obligations. The dream of an all including agreed upon uniformity of practice in getting premiums, leaves out the fact that the men behind the corporations are just as varied and of like passions as men in general and that there will continue to be different business appetites, experiences, estimates of the influence and desirability of things and different results of administration, that companies have their individual characteristics.

It is this difference in underwriting judgment and opinion that leaves so little uninsured property in this country.

Even uniform commission will not give equality to companies represented in the same agency, for some companies will have some sort of advantage over others which need not be enumerated in this presence. Yet, considering the multitude of detail and variety of methods in its practice, there is much of unity and uniformity in insurance transactions, and perhaps in some things we are and do too much alike after all. But I started to simply congratulate this Association on its long career of usefulness, for without attempting legislation it has served an excellent purpose in the cultivation of mutual good will and fraternity, in making common property of the experience and tested opinions of its members, and creating an unwritten code of

RECIPROCAL OBLIGATION.

I have already missed many who were prominently active in your annual meetings twenty-five years ago, and whose names would be somewhat familiar to the youngest of you if mentioned. You would be surprised if you should go through the membership of even a score of years ago and note the large number not named in your present list. Of these, many splendid men have died in the harness and are now named in your memorial record; some have gone into other fields or other branches of service, some have retired from the business, and from still others the business has itself retired.

Insurance men are certainly subject to the ills that flesh is heir to, from appendicitis to old age, and to the vicissitudes of employment, from promotion to being actually "fired."

So are insurance companies subject to ills that corporations die of, but old age is not conspicuously among them; most die young and some of mere youngness "leaving brilliant futures behind them."

While there is a wholesome sprinkling of veterans still in the service of fire insurance, there is a large infusion of young blood and energy, and this fact is apparent here and now. My young friends, there is room for you and need of you; not only in routine service along settled lines, but to meet and determine new problems and questions which must continually arise in a business which deals with the constantly changing property phases and features of a restless, inventive and progressive property-acquiring people.

Never has our business been more worthy of the honest loyalty of the best quality of service and there is no business which requires a larger combination of manhood, sound common sense and variety of knowledge or which so much needs the sympathy and devotion of its servants.

It is worthy of all this, for it abounds in manly purpose and has a broad humanity underlying its principles.

It is essentially a provident business, growing out of private and public needs, and has been enlarged and matured by what it has itself encouraged and made possible. Administering as it does, a system of indemnity for the unfortunate by apportioning the misfortunes and perils of the few among many, it must do it with unforgetful regard for the many as well as the few, and, also, provide for the dangers of its own administration. In the largeness of its purpose and importance of its mission and touching as it does the infinite variety of property which fire may destroy and the manifold methods for its possession and accumulation, it requires natural and acquired talent with definite moral fitness in its administrators. A college president has said that a mind which is broad without vagueness and precise without narrowness represents a type which will find a noble field for usefulness in the business of insurance—that is, "a broad mind sharpened to a point." A magazine writer says that an Englishman goes to Cambridge for his mathematics and to Oxford for his manners. An insurance man needs the Cambridge training, but unless nature has been gracious he cannot do without the Oxford culture, for manners have a commercial value in securing entrance to opportunities and influence which might be closed to mere ability. An intelligent, industrious gentleman, then, with a will capable of firmness and flexibility, of quick perception and deliberate conclusions, "able to adjust itself to diverse conditions and yet preserve its main purpose," might be a success in any profession or business, but it is none

too large for the service of fire insurance. "John," said an insurance agent to his office boy, "if you had more common sense and industry you would make good help."

"If I had these things," replied the boy, "I'd be getting a better job."

There may be "Johns" among insurance men who rate and exert themselves just sufficiently to hold their jobs, but this limited policy of service is likely to expire without renewal, if not cancelled, when the wage indemnity

IS MOST NEEDED.

The treating of any employment as a vocation rather than as an avocation and cheerfully and interestedly giving it all there is of you will surprise yourself and your friends that there is so much of you, and the best way for a man to qualify for a better place is to be conspicuously useful where he is.

It is not a sad condition to deserve promotion without getting it, and he is no common laborer who does his work uncommonly well. Age in some important respects is said to be as much a matter of sentiment as of condition; that we are only about as old as we think and feel we are, and so, my friends, this business of ours will be to each of us about what we think and feel it is, and I would have all engaged in it so impressed with its righteous importance that they will spontaneously defend it whenever and wherever slandered or assailed; stand between it and things that make for its hurt, and by their own service to the smallest direct and indirect doing or influence minister to its good reputation, integrity and honor—and all this is to be presumed of the Field Marshals and other Underwriters of the Association of the Northwest.

While new blood has been coming into the personnel of our business, and will continue doing so, there have been but few new joint stock companies, and there are fewer still of these remaining.

About as refreshing summer reading as we get is the now and then promoter's prospectus of a new company proposition. It deals so exclusively with the figures of a few surviving successes and counts the results of their years of experience as a sort of can't be helped current achievement, is so oblivious of a well-filled insurance graveyard, of conflagrations and of the dangers of insurance cholera infantum, as to make conservative hopefulness seem miserably pessimistic. In such promotions, however, there is undoubtedly more or less belief in superior ability and legitimate confidence in being able to profit by the experience of others. There may also be the hope of the serving maid, who, being warned by her motherly mistress against a proposed hasty marriage and its danger of unhappiness, replied, "I thank ye, mum, but I'm hopin' to have better luck than you did." Faith in luck has achieved some successes with many failures along many lines of business venture.

However, with money abundant and satisfied with a low rate of earning; with the matter-of-course ease in organizing insurance companies and plenty of talent to manage, it is very evident that the financial history of fire insurance or its present promise, do not attract capital to new underwriting undertakings. Yet do we not hear of an insurance trust with its unconscionable combination to rob property owners to secure excessive profits?

If it were true that there is any sort of combination or agreement among insurance companies for mere profit, or for more than necessary compensation, it would show itself in the aggregate annual statements of companies, and capital would hasten new organizations to reap the harvest of such a profitable field.

We know that no such combination exists and that it is impossible in a business so wide open to new capital, so quick of corporate organization, and with every item of every company's doings and experience matters not only of public record, but of State publication. The business of fire insurance cannot be "cornered." New companies will be organized, and there is room for them in an open field, and of these futurities some will grow in strength and favor, but there is certainly very little in the past history or present conditions of the business to encourage fire insurance investment for either

REVENUE OR GLORY.

It is more certain that a period of fair profit in fire underwriting will result in a competitive too great reduction in rates than that a season of loss will result in any increase at all, and this unbusiness-like fact is not encouraging to even old companies with their gathered surplus and earning of accumulated assets.

In the tendency of the times toward combination, consolidation and monopoly, it is natural that the public should think that so great a business as fire insurance would be involved in this tendency, and there are some appearances in the business which superficially considered might so indicate.

And the public in its antagonistic attitude towards corporations in general, will make these small appearances minister to suspicion, and suspicion grows into belief.

In a fundamental sense the interests of property owners and fire insurance companies are quite alike in their last analysis, and yet, unfortunately, there is much public anathema against our business which comes from misunderstanding and misconception, although some of it may not be thus explained.

Is it not of almost first importance that fire insurance and the public be brought closer together, more in sympathy with mutual interests? How to accomplish this is a difficult problem, but something can certainly be done by missionary work on the part of agents and field men, who are closer in touch with property owners

than others in the business, along lines of patient explanation and instruction and in distinct and manly defence of all that is necessary and right in insurance methods and practice. It cannot be expected that property owners can be made so intelligently interested in the beneficent mission of fire insurance and its delicate adjustment of compensation to indemnity that they will insist upon or very much urge the writing of proper forms at adequate rates, that is, save us from ourselves, but they may be made to understand better than they now do the importance of these things to both sides of the insurance contract.

The trouble is that the public understanding of the business is made up of things which are not so, but with some reason for believing them true. Outside impressions of insurance are received more from what is observed of its practice than from what is said of its laws and theories. The business public is apt and quick to inform itself as to matters touching its direct pecuniary interests, and do you not find insurers fairly well informed as to their side of insurance?

The shrewdness of property owners, their brokers and attorneys in the direction of fullest indemnity at least cost has rather been encouraged by hunger for business and the stress of competition, so that things which ought never to have been done have become common practice, and few of us can deny positive or passive contribution to bad practice.

Are not insurers familiar with our weaknesses, and have they not learned to profit by them, in forms, rates and loss claims? In short, are they not fully as exacting as to what they think is for their interests as we are as to what we know is for ours?

Have we not failed to convince the public that insurance is a tax and that state and municipal fees and other taxes on this tax, and that losses and expenses influenced by prejudicial legislation, must compel increased rates, when the public of the most offending states have never felt its practical operation?

We may urge with logical truth that inadequate rates influence a poorer quality of indemnity, but the public has not practically suffered on this account, for have not contracts of sick and dying companies been made good in the very extremity of the company issuing them, by the benign endorsement of solvent reinsurance? Has not this practice served to make all companies look alike?

What teaching does the public get when a carefully adjusted tariff is promulgated for a certain community, as the equitable fire hazard measure of specific risks, and when a few months later, for some or no reason, this tariff is disregarded, there is a rush for these risks at rates much reduced? Is there not some reason for believing that the tariff may have been extortionate?

What is the teaching of

A RATE WAR?

What is the influence of the more than sometimes fact that one vicinity without a local board is getting insurance at less cost than a nearby similarly situated community with a local organization? Does it help belief in the fact that a good local board is of local benefit?

Where a reasonable tariff exists and insurance representatives, agents or others, tacitly or positively admit or possibly reinforce the usual claim of property owners that their rates are excessive, coupled with apology without explanation or defense, that they are simply compelled to exact these inferred extortions—is there not more than a suggestion of a ruthless combination which really does not exist?

When annual statements of companies exhibit large increase in assets and other opulent surface indications, when a more complete statement might show decidedly modest underwriting results; or when a state department issues a statement purporting to give the experience of companies within its jurisdiction and limits figures to gross premiums received and net losses paid—is there not very much to mislead laymen in their ideas of insurance profits?

When a rate is named by a competent committee as the lowest safe price for a large risk, and because competition offers, or is said to offer, to write it at less, we, perhaps, double our line at the alleged offered rate—does it not at least encourage property owners to “go shopping”?

When hurried, careless, “jump” adjustments are made, leaving the impression that there was simply an effort for exhibition salvage—does it not influence excessive claims to provide room for profitable compromise?

When payments plainly exceed actual loss, is the teaching helpful? And what are the lessons when fraud and crime are uninvestigated and unpunished, or by prompt payments are not even left to a sixty-day lingering fear of “a judgment to come”?

Without entering into further specific “conundrums,” have not indiscriminate and vacillant rating, treatment of losses and of other features of insurance practice done much to create misunderstanding on the part of the public?

In fact, is there not a large degree of misconception of what insurance really is? Is it not regarded very much as a wager against the happening of fire instead of indemnity against loss by it, as indicated in a wholesale manner by valued policy laws and in a retail way in loss claims? And is not insurance generally understood to be an article or commodity, the quality of which is in no wise impaired by its being generally sold at less than cost?

But hopeful changes are coming into the thought, theory and practice of our business, and to a greater extent than some under-

stand have already arrived. The interest of the public is being more broadly taken into consideration, with some reason for expecting co-operation. Our business is recognizing the duty of reducing the cost of fire insurance to the lowest possible minimum by lessening in every practical way the hazards for which premiums must provide, and so reaching property owners with this fact as to make them ultimately understand their partnership in the effort and to know that even individuals may legitimately reduce their own rates. If property owners can be made to not only know, but feel, that losses on account of excessive and fraudulent claims, criminal fires, cheap and dangerous construction, negligent tenants, politically managed inefficient fire departments, etc., ought to be eliminated from their insurance tax, and that the enormous annual fire loss of property in this country is so much actual waste notwithstanding insurance—the indifference of the people, legislators, political economists, courts and juries ought to be somewhat changed toward an active and

HELPFUL CO-ORDINATION.

While this millenial condition may not be the expectation of the near future, surely something in this general direction may be hoped for as the result of comparatively recently initiated undertakings, and there is no presumption of your lack of interest in these undertakings in briefly calling attention to them.

Firstly, then, we have the beginning of a logical system of rating, a more individual, specific and equitable assessment of insurance tax. Our business is much indebted to the few underwriters who may be called the apostles of schedule rating, for imperfect as the system yet is, there is righteousness in it, and persisted in it will grow in completeness and usefulness and attain a fair degree of maturity. By specifically naming and charging for the deficiencies and defects of a locality and of its individual risks, measured by fairly adjusted standards, the potency of a financial consideration operates to influence improvements as conditions of a reduced rate; and wherever and whenever there is local indifference to especially unsafe conditions, as of an incendiary epidemic, outgrown fire facilities or other flagrant local conditions, a distinct per centum advance in local rates to cover the especial local hazards, will stimulate activity towards safety.

Instances corroborative of these statements have occurred in the East, and no doubt you know of them in the West.

Of course, these searching methods produce friction, have their perplexities and complexities. Property owners whose rates may be reduced by schedule will be complacently silent, except to promptly secure rebates on their unexpired policies, but when the specific defects of an individual risk are set forth as contributing to an increased rate, its owner is indignant; when deficiencies in the

fire protection of a town are distinctly nominated, local pride is offended, and agents finding their clients thus disturbed and themselves confronted with a campaign of explanation, count themselves afflicted and wish for the old way of rating.

But being a sane and reasonable formula for adjusting rates according to hazard, it should be defended, and the more that agents and other insurance men and the public understand the system and its purpose, the easier its application, and the more it will grow in favor.

Along the line of schedule rating our Exchanges and similar organizations have rendered valuable services in behalf of better, even best construction, and by providing building plans and codes have encouraged the erection of buildings which command nominal rates of insurance and actually sheltering vicinity property from conflagration dangers.

Our National Board, the largest and most comprehensive organization known to our business, but dealing only with matters tending to lessen the national fire waste and equally tending to reduce the fire insurance tax of the United States, has many helpful sub-divisions of its work. Its expert inspection of fire departments, water supply and general fire conditions of municipalities has brought unrealized deficiencies and dangerous local conditions to the consciousness of insurance managers, communities and their authorities, and by various influences, including the "pink slip," improvements have been made, with automatic reduction in rates.

Its rewards for the conviction of incendiaries have in many cases proved a substitute for local apathy and a supplement to tardy prosecuting officials, and have undoubtedly influenced some prevention of arson.

Its various bureaus and laboratories in the hands of experts in electricity, chemistry, fire protection engineering, etc., where experiments are made, materials tested and where the constant output of devices for illumination, heating and power and fire prevention and extinguishing apparatus have skilled examination, with approval of the safe and useful and rejection of the

UNSAFE AND DANGEROUS.

The mission of the recently constituted committee of twenty with reference to congested districts and conflagration peril of cities has the purpose of bringing to light from thorough inspection by technical talent, localities in which reside peculiar aptness to extraordinary fire loss. When it is said that the burning of certain two or three city blocks in New York would occasion a property loss exceeding that of the forty acres of Baltimore's burned district and that somewhat similar situations exist in other New York blocks and in other cities, it is evident that the work of this committee is of significant consequence. The importance of its work is

emphasized by the fact that the War Department of the United States has detailed an army engineer officer to act in conjunction with it in its investigations and conclusions.

There is some progress towards reform in dealing with claims for losses in the direction of salvage in time and expense in adjustments; co-operation in discounts and payments; in resistance to dishonesty and fraud, prosecution of crime, statistics and other matters pertaining to this most important item of insurance outgo which now has many features baffling to righteous adjustments.

The National Board has also moved in the direction of technical insurance education. Leading educators have been consulted in preparing a course of study and selection of text books for those in the business or looking towards employment therein, to secure technical equipment to meet the present and future demands of the business in its tendency toward more scientific methods. Possibly this advanced step may even somewhat reach the public in its instruction in fire insurance. So much along the line of what may be considered hopeful, helpful and encouraging. While some of these matters are but in their infancy and will be of slow growth, they should with the interested and patient co-operation of the rank and file of insurance men become stalwart conservators of the mutual interests of the business and the public—for while primarily for the benefit of the business itself and at its considerable expense, the lessening of the fire loss of this country is the objective purpose, with the consequent lessening of insurance cost. The public indifference to our fearful aggregate annual "ash heap" must be aroused, and our own "burned in" comprehension of it intensified to the extent of doing all that in us lies to approach the lower cost of insurance which prevails in other countries where law, custom, public opinion and tradition have long combined to produce conditions which influence quite the minimum of fire hazard.

Time has demonstrated that the public cannot be expected to much influence these conditions so long as insurance can be secured without specific and

SUFFICIENT DISCRIMINATION

between aggregate hazards, and time has also proved that fire insurance must include much more than gathering premiums and paying losses—that while adjusting rates to conditions of hazard it should do something toward adjusting conditions.

It would be public policy of high economical value if law-making bodies should encourage, even compel, co-operation of insurance companies in their public spirited efforts to reduce the yearly fire loss of this country, instead of interposing hindrances and difficulties to their best united service.

I am sure you have in mind the fact that losses, ordinary and extraordinary, are not all for which rates must provide, and that

reduced expenses would contribute toward reduced rates. While I suppose the ratio of expenses to premium last year did not exceed the average for six or eight years previously, still the business ought to be transacted at less cost.

There are too many between-men in the business who are being paid out of it and rendering no service to it. Particularly is this true in the large cities, where the larger volume of business is, and where the larger ratio of expense abounds, and yet where the net compensation of responsible agents is not so very large after all. The hesitation in dealing with the large cities' expense problem indicates the difficulty in doing it. With reference to agents in general, competition and competitive methods have added labor, difficulties and expense to their service, and they are not over compensated for faithful service under present conditions, although there certainly are those worth less than others.

In the present attitude of legislatures, taxes, direct and indirect, are most likely to increase, as they have been increasing, than otherwise.

There are, perhaps, too many insurance organizations, some of them too expensive, and there might be profitable consolidation, even elimination.

As to salaries, I am too near the end of my infliction upon you to incur the danger of discussing this item of expense, for often little things are the most irritating. However, in a general retrenchment in expenses, salaries should be included, not so much because they are too large, but as evidence of good faith and in making a "beginning at Jerusalem."

There is some room for salvage in our expense account, and propositions and plans now timidly and hesitatingly progressing are commendable; but it must be borne in mind that the business of fire underwriting deals with small sums by multitude, covers large territory in its operations, abounds in details, demands expensive supervision and good quality of ability in all its departments—that it is wholly a retail business and as its expenses cover everything from the "shop to the consumer," so to speak, it compares favorably with that of other lines of business operating on the same scale and nature of transactions.

MUCH ELSE

might be mentioned as helpful and encouraging in suggested directions from other associated purpose of various sorts; from an enterprising and loyal insurance press, with its current news and advance views, and from prevailing and increasing higher standards with their more of recognized mutual obligation among ourselves. While insurance human nature has not yet reached the sublime altitude divinely set forth in the Sermon on the Mount, our business is not only honestly and honorably conducted with reference to the public

with which it deals, but there surely has been growth in mutual regard among competitors, especially in the sense that no pride or purpose of individuality should forget paramount common interests. We can be many as the waves, but one as the sea.

Finally, brethren, this country is growing, the aggregate value of insurable property is constantly increasing with its corresponding larger demand upon the insurance, and the auxiliary helps needful for its intelligent administration are increasing—all calling for such a broad-minded present view of our business and its mission as will influentially project itself into the future. While co-operation in some things, which many think essentially important, has not been and may not be achieved, and while as yet there is no large visible appreciation and sympathy on the part of the general public even as to its and our mutual interest in lessening the fire waste of this country, let us be thankful for such co-operation as we have among ourselves and make the most of it, striving not only to secure more of it, but more of affiliated helpfulness from the other side of our contracts.

Mr. Wood—

I rise to compliment you sir, upon your success in giving this Association such an annual address as the paper we have just listened to. It was instructive and forceful and full enough of wit to make it crisp and keep us wide awake. It has been a source of education to me and all of us and I wish we could listen to a dozen such men, I think it becoming and fitting that we show him our appreciation of his most excellent paper by a rising vote of thanks, and I move you, sir, that this be done.

Mr. J. Frank Edmonds—

I second that motion.

The President—

It has been moved and seconded that we give Mr. Cunningham a complimentary vote of thanks for his most excellent and pleasing address; all in favor of same make it known by rising.

The President—

Col. Cunningham, it is unanimous.

A motion to adjourn is now in order.

Motion made and carried.

The President—

The meeting now stands adjourned to 2:30 this afternoon.
Please be here promptly.

AFTERNOON SESSION.

WEDNESDAY, September 28, 1904.

President Friedley called the Association to order shortly after 2:30 P. M.

Mr. W. L. King, chairman of the Library Committee, then presented the report of the Library Committee.

REPORT OF LIBRARY COMMITTEE.

To the President and Members of the Fire Underwriters' Association of the Northwest.

GENTLEMEN:

Section two of the Articles of Incorporation of our Association reads as follows:

"The object for which it is formed is to acquire and hold property in the city of Chicago for the use of said Association in connection with a library for same; to publish a newspaper and to promote the interests of fire underwriters in the Western and Northwestern States."

A third of a century has passed since we began to collect material for a library, of which you have recently been furnished a list that gives a fairly complete idea of our present acquisitions. As the collection found on hand when this committee took charge was largely "without form and void," the first thing to do was to take an account of stock. This was done by making a card index such as is now used in all libraries, showing under appropriate headings and classifications the present contents of the library. From this it is found that our present literary assets consist more in papers contributed at our annual meetings than in volumes from outside sources. But these papers, however, frequently stand for the best thought on the subjects discussed, and furthermore give assurance that we have within our organization a creative power from a library point of view that is inexhaustible, and which, the more it is drawn upon the more responsive and valuable it will become.

In volumes the library has 3,020, of which 2,505 are records of the annual meetings. We have two complete sets of these which are as few as should be retained for permanent use. The residue is for sale, and considering its intrinsic value from an underwriting and historical standpoint, should form a part of every member's private library. With the exception of two reprints, these are being offered to members at 50 cents per volume, which should insure a speedy disposal of them. This would materially increase the working capital of the committee in charge as well as give shelf room for other books.

The library furniture owned by the Association consists of seven oak cases with plate glass doors, and two large oak tables, given to us by the Home Insurance Co., one card index cabinet and fourteen chairs.

The expenditures for the year as made by the committee are as follows:

Books	\$306.43
Expenses—Printing, cataloging, moving and repairing furniture.....	287.50
	<hr/>
	\$593.93

Leaving a balance on hand of \$906.07 of the appropriation of \$1,500 made for library purposes last year. The present quarters at Room 1235, First National Bank Building, will answer for temporary purposes, but they will soon be found too small for our needs. The natural location for the library at present is on La Salle Street or in its immediate neighborhood, but rentals there are too high to admit of securing the space necessary for reading room and meeting place for the directors and members of the Association in addition to space for the books. It is therefore probable that it will be found advantageous to sacrifice something in the way of convenience as to location for the sake of adequate room.

We admit this inventory of our possessions is not impressive but the idea embodied in the Articles of Incorporation which is back of this library and which clearly contemplates making the Association a great educational factor to fire underwriters is deeply impressive.

Your committee is confident you do not require arguments to convince you of the vast importance of making a business of carrying out this chief object for which the Association was formed, nor does it think your enthusiasm needs a spur to awaken it to the great opportunity that presents itself. A library represents the garnered wisdom of years and goes hand in hand with progress in every department of human endeavor. Individual experiences and recollections are valuable as far as they go, but unless they are recorded in imperishable type they are soon lost. Your committee has become imbued with ambitious hopes as it has considered the possible future for the library, and the Association which has fostered it. It seems reasonable to contemplate our modest collection of today grown to embrace largely all literature which directly relates to our profession; and to complete the picture it is pleasant to think of the same as being kept in attractive quarters where members will naturally gravitate when in the city, knowing that a cheerful reading room and pleasant surroundings are always open for their enjoyment.

A natural sequence to the work of collecting books is that of getting them in the hands of readers, and as a great majority of our members are non-residents it is evident that to some extent our library must be a circulating one if it is to be of constant value to all who have helped create it. By this we mean the library should be so conducted that almost any book, excepting purely reference works, may be loaned to members for short periods without any expense to the borrower. We say without expense to the borrower because we believe that a reader puts the world under tribute to himself by reason of the information he gathers, and gives again with manifold increase. The expense of transportation of books should be borne by the Association for this reason, and for the further one that it would tend to popularize our organization and give to the library its highest value. The true university of these days is a collection of good books, but our collection will not prove to be such unless it is made accessible at all times to all members. While the details of a plan for carrying out this idea have not been perfected, yet it does not seem impossible, and your committee believes that when the first steps are taken the way will clearly open up for further progress.

Having this object in view, the first thing is to prepare a catalogue to place in the hands of each member which should be a finding list of all books, pamphlets, journals, special articles and addresses contained in the library. As our collection grows, this catalogue will grow to become an indispensable volume to underwriters, for in its pages will be listed under proper classifications and topics the best literature of the world—relating to fire insurance, and enough should therefore be realized from its sale to more than defray the cost of its publication. In compiling this and in keeping members informed as to additions to the library, it is evident that the constant service of a competent individual must be secured. In this connection we wish to suggest that to a considerable extent the work now done by the Secretary and Treasurer might be done by the Librarian, and in that event a portion of the salaries now paid to the first two officers could be applied on the salary of the latter, who would give his entire time to the growing interests of the Association. The accomplishment of this work thus briefly outlined implies the expenditure of a considerable sum of money, much more than the Association has in its exchequer at present. But as the establishment of a library along these lines will prove of continual benefit to the companies through the education of their special agents and adjusters, it is believed they will gladly make cash contributions which will aggregate enough to suitably furnish rooms and to purchase such necessary books and periodicals as will give assurance of the ultimate success of the library, and in fact place it at once on such a basis as to make clear how helpful a factor it can be made. After this initial expense has

been met, a portion of the fund derived from the annual dues would undoubtedly pay the running expenses of the library as well as provide for steady additions in the way of books and periodicals.

Eventually another source of income might be from the issuing of cards to insurance clerks in the city which would give them the use of the library and reading room at a nominal cost of say \$1.00 each per year.

We would therefore suggest the appointment of a committee independent of the Library Committee to carefully present to the companies the plans of the Association and to receive from them such contributions as they may feel disposed to make. The by-laws provide that the Library Committee shall report to the Association recommending an appropriation for the maintenance and improvement of the library during the ensuing year, and out of such appropriation all expenditures in connection with the library shall be paid. As has already been shown, there is quite a balance left from last year's appropriation, but if the work of creating a library is pushed with vigor, another one should be made now to meet the increasing expenses that will be incurred during the coming year, and if it should be thought advisable at this time to enact such legislation as will provide for a regular annual appropriation for library purposes, we believe it would prove to be a wise action.

In the minds of the founders of the Association, as expressed in the Articles of Incorporation, the publication of a paper seemed a natural corollary to the establishment of a library. While it is outside of the province of your committee to elaborate or even to outline a plan for bringing to fruition so ambitious a project, yet the need that exists for a journal strictly educational in its character is so greatly felt and the opportunity growing out of the library seemingly so propitious for supplying it, that a few words on the subject are taken for granted as being in order.

Of insurance newspapers there is now a plentiful supply, ably edited, entertaining and valuable, but of those journals which confine themselves to a treatment of the fundamental principles and scientific aspects of fire underwriting with a view of training and educating their readers, there are by far too few. If exact observation and correct thinking are to be the distinguishing traits of an underwriter, can not this great Association stimulate the growth of these faculties in its members in some more forcible manner than it is at present doing?

The slow and sure processes of evolution are steadily at work and our business, which is world wide and world important, is unfolding and developing under their influence. The question now is, shall not this organization take fuller advantage of this fact by enlarging the scope of its activity and usefulness on a plan commensurate with its vast latent resources and thereby become

the great educational factor it may properly consider as its destiny?

The unsolved problems that confront underwriters, confront us all, and this Association, which recognizes no such distinctions as union or non-union may yet give to the world the solution of many of these through the strength gained by working out large plans for its own upbuilding. If this Association believes that it may become first in numbers, power and usefulness among underwriting organizations and is eager to accept the responsibilities created by the demands of the time, that it may bestow greater benefits on its enthusiastic and loyal members, it may be, the opportunity to do so is now here.

We believe the idea is worthy of the most careful consideration, and are therefore prompted in conclusion to suggest that an independent committee be appointed to study it exhaustively and report to the incoming Executive Committee at as early a date as possible.

Respectfully submitted,

W. L. KING,
W. R. TOWNLEY.

It was moved by Mr. Woodbury that the report be adopted. The motion was seconded by Mr. Sanderson.

The President—

The Librarian has made so many valuable changes and additions, would it not be well to refer this to a special committee and let that committee report to-morrow morning on the suggestions of the Librarian?

Mr. Woodbury—

I understand this report provided for the appointment of a committee.

The President—

It provides for the appointment of two committees; one of them a permanent Library Committee, and the other an additional committee to take up the question of soliciting funds. These two committees will be appointed by the new administration. The report makes so many valuable suggestions that it occurs to me it would be well to have a special committee appointed to make a report on the Librarian's report.

Mr. Woodbury—

I will then move that the report be referred to a committee of three, appointed by the Chair, for the purpose of making a special report tomorrow morning.

The motion was seconded by Mr. Hayes.

ELEVATOR AND GRAIN BUSINESS IN THE NORTHWEST. 43

Carried.

The President—

I will appoint upon that committee Mr. Cyrus Woodbury, Mr. George W. Hayes and Mr. J. L. Whitlock.

I think you will agree with me, gentlemen, that there are great changes being made in our business. One of the most important revolutions that has transpired is in the grain business. A few years ago it was a question as to the ability of the companies to get enough elevator business and special stocks in good elevators. The rates we fixed we thought were on an equitable and fair basis with the owners of the property, but in recent years there has been an evolution in the grain business. That class of business has been largely slipping from the representative insurance interests. The question is one of great importance, and the Directorate, in arranging for a live man to bring the subject before you has found a man up in the Northwest who has made a thorough investigation of the subject. I bespeak for him your careful attention, while we have Mr. Frank A. Mannen, of Minneapolis, State Agent, Fireman's Fund Insurance Company, read a paper entitled: "Elevator and Grain Business in the Northwest."

ELEVATOR AND GRAIN BUSINESS IN THE NORTHWEST

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS'
ASSOCIATION OF THE NORTHWEST, AND LADIES:

The subject upon which I have been asked to prepare a paper is, as indicated to you by the program, "Elevator and Grain Business in the Northwest," and I confess to the fact, that when this subject was first assigned to me, I was dismayed by the thought, that possibly so few facts of interest could be instilled into it, that I might not be able to produce a paper that would be of interest to you, but the more I have thought over the matter, and the more I have looked into same, the more surprised I have been to find that the subject is one which is capable of the widest range of discussion, and to me, at least, has been replete with interest, and I shall therefore ask your indulgence in hearing a very few condensed items of information which I have been able to gather together upon this subject, although the time allotted to me is so short that I can only indicate a few of the more important features connected with this idea.

I will divide my time between the two principal and most important divisions of the subject, one of which will be Terminal Elevators, including fire proof elevators and storage tanks, and the other that of so-called Country Elevator Lines.

The terminal elevator business has, until within a comparatively recent period, consisted almost entirely of elevators of frame

cribbed construction, with all of their divisions, machinery, etc., built almost entirely of wood, usually comprised of what has generally been termed a working house connected by beltways with a storage house or annex, situated at various distances from the working house, and upon this class of elevator and its hazards, I shall not dwell in writing this paper, as most of you are entirely familiar with this particular class and its hazards, and I shall therefore only go so far as to state in connection therewith, that the stock companies represented in the cities of the Northwest, where these terminal elevators are located, still retain practically all of the insurance on these elevators and the grain stored therein, at regular schedule rates. This portion of the subject having been dismissed, I shall now proceed to lay before you the facts as nearly as I have been able to ascertain them regarding the more modern construction of elevators, their fire proof qualities, the general rates which are obtained on same, and on their contents, and the reasons why the stock companies are not now receiving any large amount of this class of business.

For convenience I shall divide these elevators into four classes:

First, those having rectangular bins, built of steel plates; second, those having cylindrical bins of steel plates; third, those having cylindrical bins built of tiles, strengthened with steel bands, and fourth, those having cylindrical bins built of concrete.

The most notable example of those having rectangular steel bins is the Great Northern Elevator "S" at West Superior, Wis. It has a capacity of about three and one-half million bushels, and is the largest and among the finest of its kind. The bins are each 14 feet 9 inches square, and 85 feet high, holding about 14,000 bushels each, and are arranged in the elevator or work house, in rows, and are formed of steel plates of such lengths as to reach from corner to corner, the corner junction being formed by four angle bars and rivet fastenings. The plates are fastened by angle bars, riveted to each side and by flat tie bars reaching across the bins. All bins have steel flat hopper bottoms, at heights sufficient to enable freight cars to pass beneath, and are carried on steel columns reaching through ground floor to piers beneath. The floor which covers the head of the bins and the one next above it, are for some unexplained reason of wooden plank on steel joists, but all other floors are of steel, or other fire proof material.

There is no frame or walls surrounding the bins, but they are protected from the weather by corrugated iron sheeting, attached in such a way as to give a six-inch air space all around the outside of the bins, which forms an elevator of rectangular appearance. The framing of the building above the bins is of steel covered with iron sheeting, and fire proof roofing. The elevator legs, heads, garners, hoppers and spouting are all of steel, and with the exception of the wooden floors mentioned, the wooden cases and frames

of the cleaning machines, the elevator belts and ropes, and a few small wooden sills for machinery thereon, the building is of non-combustible material. All the machinery is driven by electricity, generated in a detached power plant. This elevator, aside from its own hazard, generally contains the hazard of a large number of freight cars, which are run into the same, from which the grain is unloaded.

The elevators in Minneapolis differ from the above described elevator in having only a small part of their storage capacity in the working house, as by far the greater part of their storage capacity is contained in their outside tanks or bins.

The Pioneer Steel Elevator of Minneapolis, for instance, which is a fair illustration, consists of a central working house built of steel, and containing square steel bins, but the greater part of the storage capacity of this elevator is in ten circular steel tanks, of 100,000 bushels each, arranged in two annexes of five bins each.

The first two of these bins are situated at a short distance from the working house, and are connected with it by subways, through which belts are carried, and by an elevated beltway, from which grain is carried to and from the working house into the steel tanks. There is absolutely no combustible material of any description in these steel tanks.

Another elevator in Minneapolis is that of the St. Anthony Elevator Company, in which the working house is of frame, and the storage house is built of fire proof tile, situated in two annexes, each containing a number of tile tanks. The walls of these tanks are built of specially moulded, glazed, hollow tiles, laid in two thicknesses with steel bands let into the spaces allotted for them entirely around the tanks, and built in to resist the internal pressure of the grain. I have laid on the Secretary's desk some samples of these tiles, which are one-quarter of the regular size, and which will be found ready for inspection by such of you as care to see them. These tanks are circular, of fifty feet diameter, and of a capacity of 150,000 bushels each. Their bottoms are on the ground level, on concrete foundations and they are filled and emptied into the working house by conveyors overhead and underneath.

Of the fourth, or concrete type, there are two examples in the Northwest, one in Duluth and one in Minneapolis. These bins are built in rows of four feet apart, with connecting walls to separate the inter-spaces. The bins are fifty feet in diameter, and have a capacity of 100,000 bushels each, and the inter-spaces, which are also utilized, are of about 30,000 bushels capacity each. The walls of these bins are built of first-class concrete, twelve inches thick at the lower part, and nine inches at the top, and these bins are also strengthened by steel hoops, and diagonal wire lacing, built in.

As regards the action of the various fire proof materials in the above described bins upon the grain stored therein, experience is limited, but indicates that very little if any harm, has up to this time been done by the sweating or heating of the same.

The average rate for insurance, as nearly as I have been able to ascertain, upon the old fashioned wooden working houses and annexes and their contents, has been somewhere around \$2.00 per hundred, whereas the average rate on tanks and grain in the modern tank system is in the neighborhood of 22 cents per hundred. This will indicate to you very clearly that insurance companies must exercise great care in selecting the old style class of elevators on which they offer indemnity, as it must be particularly discouraging to the owner of one of the old style elevators to be compelled to pay an insurance rate of two per cent, while his more up-to-date competitor is only compelled to pay a rate of about one-tenth as much. This will be particularly true during those periods when the grain carrying charge is very small, which has been the case for several years past.

A million bushel wooden elevator, automatic sprinklers, would cost in the neighborhood of \$300,000, whereas an elevator of similar capacity, built of above mentioned fire proof materials can be erected for about \$400,000. Figuring interest at three and one-half per cent on the original outlay, and figuring the difference in cost of insurance on the average amount of insurance carried, we find that the difference in favor of the fire proof elevator is considerable. It would cost the owners in interest and insurance no more per annum, and it would save to the shippers who store in same somewhere near four-fifths of their insurance charge. A further proof of this fact, is that practically all of the elevators that have been constructed in the Northwest in the past few years, have been of the modern style of construction.

Having elaborated at some length on the construction of these elevators, the question now arises as to *why insurance companies are not securing the grain business in same.*

This is accounted for very largely by the fact, that when these fire proof tank elevators first came to the notice of the insurance companies, and when they were asked to make rates on same, they having had no experience with business of this class, and hesitating to adopt an aggressive policy in connection therewith, placed their rates for insurance on same at such a figure, that the grain men at once deemed it excessive, and as a rule refused to insure their grain.

Prior to this time in the State of Minnesota, a law was in force, passed by the Legislature in 1895, (chap. 145) providing that all State Banks, in making loans on warehouse receipts covering agricultural and manufactured products stored in elevators or warehouses, should require that the actual market value of the

property held in storage and covered by such receipts, should at all times exceed by at least ten per cent the amount loaned upon the same, and second, that the full amount of the loan shall at all times be covered by policies of fire insurance, issued by companies admitted to do business in this State to the extent of their ability to cover such loans, and then by companies having sufficient paid up capital to be so admitted, and that all such policies should be made payable in case of loss to the bank or holder of the warehouse receipts, so that up to this time no State Banks and practically no National Banks had made any loans upon warehouse receipts covering grain, unless accompanied by insurance policies as additional collateral, and if at this time the rates of insurance on these fire proof elevators had been fixed as low as they are at present, there probably would have been no change in this law, but owing almost entirely to the prohibitive rates of insurance, the grain men interested, secured in 1901, the passage of a law amending the laws of 1895, and providing an exception to the same, in that in all cases where the products covered by warehouse receipts, were stored in a warehouse which could be pronounced by the railroad and warehouse commissioners to be fire proof, the certificate of such railroad and warehouse commissioners to the effect that the said warehouse was fire proof, should be accepted in lieu of the policy of fire insurance provided for in this clause.

This act at once lead to the education by the grain men of both State and National Banks in the belief that certain warehouses, elevators and tanks were fire proof, and these banks are now in a great majority of cases, lending money on storage certificates in such elevators without demanding the additional collateral of fire insurance, and now that the banks have been educated along these lines, and have become accustomed to this leniency, it will be very difficult to induce the holders of these warehouse receipts to insure their grain, at least to any great extent.

In conversation with the cashier of one of the largest banks in the Northwest a few days since, I asked him whether or not he based his conclusions as to the fire proof qualities of an elevator upon the certificate of the railway and warehouse commissioners. He advised me that he did not so base his conclusions, but drew them from the reports of engineers and architects, and from the inspections made by himself of these various warehouses. I then asked him if he required insurance policies as collateral to warehouse receipts in fire proof elevators, from any of his borrowers; he stated that even though he might be of the opinion that a warehouse receipt tendered to him for collateral covered in a warehouse considered by him to be fire proof, that unless the signer of the note was himself considered by him to be thoroughly responsible, he in all cases demanded fire insurance as collateral. I then asked him if it would not be easier for him to re-discount the paper of

his approved creditors, accompanied by warehouse receipts, if provided with the additional collateral of insurance, and that if such were the case, would he not be willing for the sake of securing such additional collateral as fire insurance, to make a small reduction in the rate of discount on this paper. He promptly advised me that this would make no difference to him whatever in the rate of discount charged; and as I believe he voiced the sentiment of a great majority of our Northwestern bankers, I do not see how we can hope to educate grain men to take insurance on these fire proof elevators so far as their dealings with banks are concerned.

In as much as there have been within my knowledge only two fire proof elevators damaged to any great extent by fire, we have not as yet sufficient illustration of the hazard of this class, to be able to present any arguments to grain men, that would induce them to take up the question of insurance.

Relating to the two occasions which I mention, wherein fire proof elevators were subject to a damage, I desire to refer to a case where a flour mill building, 52 feet high, 40 feet wide and 96 feet long, was entirely destroyed by fire and when the nearest of the two steel storage tanks of 50,000 bushels capacity each, was located twelve feet distant from the flour mill. These tanks were arranged with perforated pipes with city pressure, under their eaves. During the fire, the water was disseminated in streams over the outside of the tanks, thus keeping them cool to some extent, and had it not been for the water on these tanks, the one located nearest the flour mill, and 12 feet distant from it, would probably have been melted, and as it was the tank was damaged on the top and sides to an extent of about ten per cent of its value. The other tank nor its contents was damaged at all. The grain in the damaged tank consisted of about 12,000 bushels of wheat, which was charred to some extent nearest to the tank wall facing the flour mill and also on the top of the pile, and the damage to the wheat was adjusted at about fifteen per cent.

In the fire which destroyed the large grain elevator of the Canadian Pacific Railway at Fort William, Ontario, in 1902, (in which case the elevator and working house was built of steel, and of which, by the way, I have laid on the Secretary's desk some photographs taken before and after the fire), the grain contained in the storage tanks situated 12 feet from the elevator and nearest to it, consisted of about 38,000 bushels of wheat, of a value of \$28,120, and the total damage on same was adjusted at \$7,534, or a little over twenty-five per cent of its value. There was no damage whatever to the grain in the other tanks, and in this connection I wish to state, that after talking with a number of insurance men, owners of fire proof elevators, and managers of rating bureaus, the conclusion has been reached that while our basis rate on the

tank system of storage houses, which is now fixed at fifteen cents, is sufficiently low, that our additional charges in many instances are too high, particularly as regards the charge for exposures, and I would heartily recommend that this schedule be revised, and that particular attention be paid to the question of exposure charges. Attention is called to the fact that there is no question but that a higher charge should be made for exposures within certain distances to tanks built of steel than to those built of tile or of concrete, owing to the fact that the heating properties of the former are much greater than those of the latter.

With these rather extended remarks, I will now ask but a few minutes of your time, to the consideration of the second part of my subject, viz., that referring to the so-called "Country Elevator Lines."

Most of you are more or less familiar with the method in which this business is handled, so I shall not elaborate on same, except to state as a general proposition, that the country line elevators usually consist of a small working and storage house, operated by gasoline power engine, with a storage capacity running from 25,000 to 50,000 bushels of grain.

Until about four years ago, the line companies had nine-tenths of this business, and when one reflects over the history of the Country Elevator Schedules for the past seven years, he cannot but feel somewhat amused at the inconstant affections the insurance companies have displayed towards this class of business. Certain companies would undertake to carry lines of this insurance, or portions of a schedule, and if they were successful, and made money out of it in the incipient year, would the next year, increase their lines, then meet with a few unfortunate losses, and at once cut off schedule grain insurance from their classification.

The companies who adhered to the practice of writing this class of business were, to a large extent, instrumental in the constant and varying changes of rate schedules applying to same, as well as to the forms under which the policies were written, resulting in planting in the minds of the assured, a haunting fear as to the future of his indemnity. I find that there have been five absolutely new schedules promulgated in the past five years, and the last schedule, adopted March 5, 1901, amended June 6, 1902, provided in addition to a large increase in the rates, that in states where the co-insurance clause was not prohibited by law, the 90 per cent co-insurance clause should be applicable, as well as a 10 per cent limitation clause, and the three-fourths value clause, was made applicable to elevator business in such States as did not prohibit its use, and further, the policies contained a provision, that in event of loss, the value of the grain should be fixed at the market price at the point where the fire occurred on the date of the fire, instead of allowing the valuation on the grain at the quotations of the principal terminal point, less freight charges thereto.

In explanation of this difference, attention is called to the fact that the price of grain at the local market is usually from one to three cents under what the grain would be worth at the terminal point, less freight charges, which represents the grain dealer's profit, at his local or line house, to which he figures he is entitled.

These three restrictions were the "straws that broke the camel's back," and resulted in the formation by the grain men of the Northwest, in an independent stock company, with a capitalization of \$100,000, whose charter enables it to handle a line of ten per cent of its capital on any one risk, and whose stock holders, consisting entirely of its policy holders, are able through a Lloyds arrangement among themselves, to write the balance of insurance carried on any one building or contents. This company has now been operating for three years, and has been very successful. Its policies are written at the full tariff rates promulgated by the stock companies, and its stock holders receive a regular dividend on their stock of ten per cent, and the surplus earnings of the company are each year added to the capitalization, and the new stock thereby accruing is divided pro rata among its stock holders, enabling them to earn still larger dividends in the ensuing year. I find that the income of this company in 1903 was \$137,000; its losses were \$70,000; its dividends to its stock holders were \$13,000; all other expenses \$7,275; underwriting profits \$44,756; amount at risk \$6,357,000; and expense of management six per cent of its premium. This company pays no local agents' commissions, and the saving in this expense item alone, from the generally established rate of forty per cent, amounting to thirty-four per cent, is in itself, sufficiently large to leave a very wide margin for profit. This company now has probably fifty per cent of all the principal country lines in the Northwest, and from all the information I have been able to obtain, will have no difficulty, so long as it does not meet with exceptionally disastrous losses, in holding the business of its present clients.

This company further does not insist upon its policies containing either the co-insurance clause nor percentage value clause, nor does it fix the conditions under which the grain shall be valued in case of loss, and with these restrictions removed, and with the lessening of the rates, as heretofore stated, I cannot see how the line companies will be able to recover in the immediate future at least, any of the business which has left them for this company.

It is probable that the changes in the schedules made by the stock companies, were justified by their experience, but if there had not been such competition among board companies, and had they insisted upon as close and rigid an inspection of the business comprised in the country elevator schedules insured by them as they usually are with other special hazards, it is probable that the loss ratio would have been to a small extent less on this class of

business, and consequently no such frequent changes made necessary in rating.

Personally I do not favor the application of the co-insurance clause on country elevator buildings, as my experience has been that a fire in a country elevator, results in a damage so infinitesimal as to be of no moment, or else results in an entirely total loss, in neither of which cases, would the co-insurance clause be of value.

It is a matter of common knowledge that the very great majority of country line elevators are owned and controlled by grain corporations, having their headquarters in the cities where terminal points are well established, and that these corporations employ at each of their elevators, a local agent, commonly termed a "buyer," and that this local agent is vested with authority by his superiors to issue to the individual farmers, storage or sale certificates based on the scale weights of grain delivered at the country houses by them, and I desire to state right here, that this is where the troubles of the insurance companies begin.

I do not believe I go too far in stating that when a policy of fire insurance is issued on grain in a country elevator, that generally speaking, the company ceases from that moment to insure against fire, and at once becomes in a measure, a guarantor of the local agent's character.

I have talked with a number of owners of these country line elevator systems, and am finally forced to the conclusion that not less than eighty per cent of all the fires that have occurred for a number of years past in these country elevators, have been directly caused by the dishonesty of the elevator company's local agent.

This local agent may originally have been a man of sterling integrity, but when the opportunity of dishonest gain presents itself to him again and again, he finally succumbs and the usual method he adopts is to issue a certificate of sale to a dishonest confederate, who can without question or difficulty take the certificate to the local bank, and obtain the sum therein set forth. This can continue for an indefinite period, and until such time as the local agent may in the natural course of business, expect to be visited by the auditor of the corporation by whom he is employed, who makes these visits regularly for the purpose of checking up accounts, when, realizing that his shortage will be promptly discovered, and that he will be prosecuted to the fullest extent of the law by the bond company who protect the corporation, he at once takes the easiest and surest method of covering up his dishonesty by causing the elevator to burn, and as these elevators are invariably totally destroyed, and as it is impossible for the adjusters for the fire insurance company to distinguish in the debris the shrinkage caused by the agent's dishonesty, he is practically safe.

The inherent physical hazard of the so-called "Standard

"Country Elevator" is very small, and if it were possible to entirely eliminate the moral hazard from this class of business, we could, without question, profitably make a very great decrease in our rating schedules, and with this end in view, I finally have come to the conclusion that this moral hazard *can be eliminated*, and in order to accomplish this important result, I desire to submit for your consideration the following plan, viz., that the States be petitioned to pass laws, requiring that in every village or town of a population of fifty people or more, a State Weighmaster be appointed, and that it shall be the duty of such State Weighmaster to weigh on certified scales, each and every load of grain that is brought into such village or town by the farmers, and that it shall be the duty of such Weighmaster to deliver to the said farmers, a certificate duly setting forth the gross and net weight of the load and that in exchange for such certificates of scale weights from the State Weighmaster, the agent of the line elevator company shall be permitted to issue storage or cash grain tickets to the farmer, and that all fire losses shall be computed and based upon the weight certificates issued by such State Weighmaster; such State Weighmaster to be remunerated by a small fixed charge to be agreed upon per load to be paid by the line grain company purchasing such load, such line grain company retaining the privilege of re-weighing the load upon their own scales.

I would further recommend that for the adoption of such system, the insurance companies grant a reduction from their regular schedule of rates on a percentage to be agreed upon, and I believe that in view of such reduction in the rate, the line grain companies would favor this plan, and I also am convinced that the farming class would be in favor of same, for the reason that in a very large number of cases complaints are made that they do not get full weight from the elevator companies.

If it is possible to bring about a practical acceptance and working of this plan, I feel convinced that the future of the country line elevator business will be marked with a great reduction in rates and a satisfactory loss ratio, and I urge upon you that you take this suggestion under consideration, discuss it in all of its possibilities, and hope that it may receive your favorable consideration.

It is further possible that if instead of rating country line elevators as we do entirely from surveys made by the local agents, or by the assured, we should send our rating officials to personally inspect and rate each building absolutely on its merits, and then by a thorough and rigid system of inspection later on, see that the various properties are kept up to their original standard, that we could by this method make some reduction in our present schedules.

I wish to add further that one of the reasons for the loss of grain insurance to the old line companies in the Northwest in the

past few years, is owing to the enormous increase in the capacity of the flour mills in Minneapolis, which mills consume annually more than one-half of the total amount of wheat received there. The amount of wheat consumed by the said flour mills in 1903, was over fifty million bushels, out of total wheat receipts of eighty-three million bushels.

For some of the more technical descriptions of the new style of fire proof elevators, I wish to acknowledge indebtedness to Mr. John Kennedy of the American Society of Civil Engineers, whose article in "Engineering" has been of some assistance to me.

I wish to thank you for the patient attention with which you have listened to this rather dry subject, and to express the hope that it has not been altogether devoid of interest to you.

The President—

I beg to thank Mr. Mannen for his careful investigation, and the most excellent paper that he has presented to us.

Some years ago this Association honored itself by electing an Indiana man, Mr. Cyrus K. Drew, of Evansville, President of the Association. At that time he was one of the most prominent men in our business in the Northwest territory. We have today a chip of the old block, his son, Mr. Cyrus K. Drew, of Denver, Colo., editor of "Insurance Report," who will now represent the insurance press in a paper entitled "Individuality in Fire Underwriting."

INDIVIDUALITY IN FIRE UNDERWRITING.

GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

This is indeed a proud moment for me, one that I have looked forward to with a full appreciation of its honor, yet with feelings of quickening fear. It is the custom for those honored by an invitation to address this distinguished organization to submit advance copies of speeches in order that any unladylike expression may be eliminated. But at the same time the speaker is kept in ignorance of the liberties to be taken with his name by your President. My feelings at this time remind me of the story of the old darkey who went into an optical store to have his specks fixed. As he was passing out, he spied a curious looking instrument under a glass case. He stopped, squinted at it and said: "Boss, what is dat thing?" The optician answered, "Why that's an ophthalmometer." "Sho," said the old fellow as he backed away, "Sho, dat's des what I was afeard it was."

Underwriting individuality presents an interesting and diversified spectacle. There has been but a slight blurring of distinctive company traits from the operation of uniform policy clauses, rating organizations and inspection bureaus. Back of all companies are men of variant ideas, whose individuality features

strongly in underwriting methods. Were this not true, fire insurance would violate a general law, and cease to "groan and travail with all creation," and your coming together today would be for some other purpose than to ask what the matter is.

Quite familiar is the individuality of the company that radiates superiority generated in the personality of its chief executive. We are wont to gaze upon such a company with the same thrill that quickens our appreciation of a particular whiskey's concise advertisement. We smile upon characteristic traits, so redolent of Mellin's food in an opposite class of companies—whose name is Legion—that we excuse their loving friends for thus advertising them. Alongside the companies afflicted with "increased premium" kleptomania are found those that "follow the leader" in a spirit of listless acquiescence. Others there are that seem constantly "agin' the government." And there looms an exclusive group very like the young man of the east who wrote to a friend in Arkansas asking what the chances were in that State for an "honest young lawyer and a Republican." His friend replied: "If you are a Republican, the game laws here will protect you, and if you are an honest lawyer, you will have no competition."

Nothing in underwriting individuality is so striking as the diversity of company opinion regarding combined classification. The earliest writers on insurance predicted disaster, because there was not available a consensus of judgment on which to base absolute premium charges. Underwriters are still bravely attacking wind mills, and seem as remote as ever from exact results. In the year 1794, John Weskett, merchant of Dublin, wrote thus entertainingly of underwriting conditions in his time, displaying a marvelous prophetic vision:

"Through that extensive ocean of affairs and incidents which insurance embraces, every one is left without any safe chart, or intelligent instructor, to be governed merely by his own private and, in general, uninformed opinion; and consequently, it is not at all surprising that disorder and dissatisfaction, more than ever, prevail in this truly intricate and dangerous line of business, where, not only allusively, but literally speaking, we appear all to be adrift without pilot or compass, driving before the wind of accident, amidst quicksands and rocks, so that if we long escape shipwreck, we shall have wonderful good luck."

Individualized classification has given a picturesque glow to the century-old spirit that keeps General Average and Combined Experience apart. Lately a few companies have aroused jealousy by creating the impression that they possess private charts of underwriting superior to those of the other fellows. Classifications, too sacred to disclose, must indeed hide wondrous things. Fancy pictures the supreme satisfaction accompanying the practical use of records that so skillfully direct the private underwriting maneuvers of their proud possessors. And so there has come about a curiosity which seeks to dislodge important trade secrets with-

held. There was once a little girl who sat through church service unusually quiet. "I was thinking," she explained, "why hymn-writers always put things bad in them that the minister can't let the people sing, for he always says, 'Omit the third stanza,' or some other stanza, and he says it over twice, so they'll be sure not to sing it."

I am told that great respect is accorded that phantom of underwriting—General Average. Its substance has been wasted through long service in abortive attempts to prove that methods of rate-making are sane and scientific. Yet it still retains its ancient hope for intimacy with Combined Experience. From out the limbo of Disastrous Results comes the warning that fire underwriting has got to change to a higher gear. The emaciated Expense Loading denotes, all too clearly, that fire underwriters must learn of the makers of life insurance rates. Has not plausibility too long masked the absurdities in the guess-as-guess-can style of taking a fall out of the public on the fire insurance tax?

Individuality in rate making systems often takes the form of expediency in applying flexible schedules. It is coquetting with General Average to adjust new schedules to new risks only. A modern schedule recently produced a rate on a new, well protected plant which was higher than the old board rate on a similar plant several years old, poorly protected, of rival, but friendly ownership. Angels failed of convincing this first owner that there was equity in this. In his ignorance of the delightful variations in rate making, he declared that the public should demand of insurance companies that schedules be uniformly applied to all risks alike!

This lively public interest in rate making adds much to the gayety of nations. It is like the curiosity of the traveler, who came across a large stone inscribed "Turn me over." After much difficulty, he succeeded in turning the stone and found on the other side, "Now turn me back again so that I can catch some other idiot."

Back of concrete underwriting individuality lurks a majestic and mythical Intelligence that guards securely all knowledge of the exact burning rate for each class of hazards. This Mystic is annually invoked at stockholders' meetings to explain that nicety of balance on underwriting results which justifies the hazarding of insurance capital on inadequate conclusions long divorced from combined wisdom and experience.

Every plan devised to bring about combined uniform classifications went a'glimmering because, like Macbeth's vaulting ambition, too much was undertaken as a starter. The hope for skilled general classification lies in plans that shall galvanize into being this all-wise Intelligence, and thereby corral the magic Ratio of Burning to Amount at Risk in each class.

What need is there to seek company income by classes? Let the sensitive souls that guard the precious private classifications go to. Uniform combined classification may be accomplished without them, if a majority of the companies will permit stamp offices to classify and record all current daily reports.

There should be unbounded curiosity among underwriters to experience the novel sensation of fixing fire insurance rates that exactly suit the particular need. The feat is being accomplished these days out on the Pacific coast, where combined uniform classification is no longer an iridescent dream, but a helpful factor in the business. It needs but initiative force in other fields—a realization that probably endangers many noble intellects. But all big men eliminate the ego when reforms proposed are general. Side-stepping responsibility is human, early revealed in the child's prayer, "Please, Lord, make me a good little girl tomorrow. I asked you to do it yesterday, an' you didn't."

Something interesting will happen when rate-makers catch up with classification builders. They now, for the most part, maintain absent treatment relations through clairvoyance. In that day tradition will be dealt a cruel blow, which will destroy the delightful mysticism in fire insurance rating, and shatter the charm of necromancy in those amazing individual classifications. Who can doubt that, meanwhile, company charts will continue sacred because of the accuracy with which they prove Louisville's schedule to be based on equity, and justify Colorado rate reductions?

In the year 1884 J. B. Bennett addressed this distinguished organization and suggested the appointment of a committee of twenty-five competent underwriters to apply the theory of average in rating one hundred hazards. Twenty years after we have the practical realization of this suggestion, but with a vital difference. The talented members of the National Board's Committee of Twenty, being unable to secure data for proving the inequalities in class ratings, must center their investigation on loss waves and premium fluctuations by localities. Would the general loss ratio of Chicago disclose anything to prove a specific department store rate adequate?

Combined classification will ever remain a bogie to companies distinctly known by their exclusiveness. They are honestly concerned about the general good of the business, and exhibit an anxiety very like the minister during a storm at sea, who begged the captain to pipe all hands for general prayers. "Oh, never mind about the prayers," said the captain, "the men are swearing too hard to stop for prayers, and as long as you hear them swearing there is no danger." A little while later, when the storm grew worse, the preacher went on deck to see what the sailors were doing. After a moment he murmured, fervently, "Thank God, those men are still swearing."

The difference in inspection methods reveals an interesting phase of company individuality. Special agents of some companies must give the final word as to a risk, while others make fashionable sole dependence on inspection bureaus. Schedules designed to fit the rate to the hazard at the initial inspection oftentimes defeat their purpose, because nobody regularly sees to it that the combination stays fit. Infrequency of inspection is not put down among the causes of fires, but it is there, nevertheless. Last year a big western mercantile firm took a policy in a Lloyds concern, and gave this as a reason: "We cared not for the indemnity feature, but we wanted the inspection protection guaranteed. Four times in the year an expert gave this plant careful inspection. The basis of the contract was that all fire resisting facilities should be kept serviceable, and the inspector helped us see to it that this was done. It was worth the price to have that assurance."

Some companies operate on the theory that they must take in more than they expect to pay out; others energize on trying to pay out less than they take in. Skilled inspection is just as essential to prevent paying out too much as is skilled judgment in selecting what to take in.

There is marked individuality in insurance journalism, a fact evidently not well known. Everybody realizes that there are too many insurance journals. Fifty-eight publications, devoted to the service of fire insurance, are today regularly issued in the United States. Forty-six sprang into existence during the period 1853 to 1896. Twelve have joined the ranks since.

I hasten to explain that not one of this number specializes, exclusively, on fire insurance, hence this branch of underwriting escapes sole blame for their existence. While life and casualty interests are extensively served, the modern journals devote at least two-thirds of their energies and space to fire insurance. Yet the anomaly is presented of the press being sustained through support drawn largely from life underwriting interests. If these journals had to depend for existence on fire insurance interests, solely, probably 40 per cent of their present number would speedily die off.

Nevertheless, fire underwriting stands convicted of its share in the obligation that created its journalism. It is a strange contradiction that, despite almost universal acknowledgment of there being many worthless publications, no serious effort has ever been made to eliminate them by centering patronage on those more worthy. Is there a lack of inclination to make this test? The fact is, unfortunately, that all insurance journals appear about the same to most underwriters. They are as alike in view as were the O'Hara twins to their mother, who adopted this means of identification: "I just sticks me finger in Dennis's mouth, and, if he bites, why thin I know it's Moike."

The O'Hara method of identifying insurance journals has been immortalized by company practice.

The measure of worth of a trade journal is not the customary rule of thumb applied to test secular publications. In general, there are three subdivisions of features by which to gauge the value of an insurance journal.

1. Ability; honesty; independence; individuality; editor's standing in the underwriting profession.

2. Geographical importance; value and nature of service rendered in its particular field.

3. Readers.

No trade journal is judged solely by the consideration of circulation. It is the relative influence and assistance in furthering the best interests of the business that fixes the value of an insurance publication. The men of brains who mould policies of underwriting generally read every journal worth reading.

The advertising appropriation nowadays is elongated on the principle that no matter how thin the smear it must cover proportionately practically all journals, irrespective of their merit. It is like the story of the Indian who, feeling that his dog's tail should be amputated, cut it off a little at the time so as not to hurt the animal.

Individuality too often sinks to the formality of precedent, no matter how unbusinesslike, when companies tackle the expense problem of insurance journalism.

There is a demand from the insurance press, not for greater liberality of appropriations, but for wiser discrimination in their use. The insurance journal worth while is the "continuing convention that never adjourns." It is the only medium that properly presents a valuable insight into the underwriting and political spirit that pervades the field. It reflects the varied and varying personality that stands back of all actions and ideas affecting the progress of fire underwriting. The journal that presents these views with honesty and unerring accuracy stands guard against every form of fraud, and is a helpful adjunct to underwriting that merits support.

In the individuality of the organized agency movement the units of powerful and helpful influences are manifested. Local agents realize that the managerial view of their importance as a factor in company progress is frequently obscured by the overshadowing size of their drag on the expense account. Agents desire merely to maintain their peculiar rights by fair and impartial means. At the same time they seek to share in those confidences which tend to formulate general underwriting principles and practices. Companies are prone to decide what is best for the business and look to the agency force to step along lively in joyous acquiescence. The boys in the field are still stepping lively, but they want to get up nearer the band wagon.

While agents' organizations are for agents, their basis is reciprocal help to companies. There need be felt no alarm that the present organizations will degenerate into general boycott schemes, or be guilty of radical action. The agents in these organizations are, as a whole, a clear-headed class of men, possessed of courage in defending positive views, and they may reasonably be expected to avoid a general clash with companies unless pushed to it.

No Utopian scheme of complete uniform methods could eliminate individuality in fire underwriting. In the day when boards and bureaus shall girdle the earth, the fire underwriter will secure rate enough and to spare for every hazard, and thus be freed of his present greatest anxiety. Then will come limitless scope for broader individualizing—the better understanding of peculiar hazards, the closer cultivation of the agency force as a personal factor, and the development of those amenities of professional association, which will give to the practice of underwriting a poise and tranquility it lacks in these days of its troubled uncertainty.

The President—

I wonder if we could not draw out some discussion from some of the members of the press upon this paper.

You gentlemen know something of the great effort that has been made by underwriting interests to have the fraud question lessened as much as possible, if not entirely eliminated from our business. It has been the practice of some states to appoint fire commissioners, and fire marshals to investigate fires. In some states we have laws to encourage this, and the record shows that these laws have greatly decreased the incendiary hazard in these states. Recently there was a meeting of the Insurance Commissioners of the various states of the Union at Indianapolis. I think there was one or two papers read there on the question of fire marshalship. If I understand aright, in quoting from those, it was the view of one or two of the commissioners there that the insurance companies should pay the expenses out of their own funds by taxation, or otherwise, for any of these investigations.

I wish to introduce to you a gentleman who has prepared a paper on what I think are the correct lines. Mr. A. G. Sanderson, of Columbus, O., State Agent in Ohio for the Aetna Insurance Company, will now address you upon the question of "State Fire Marshal Offices."

STATE FIRE MARSHAL OFFICES.

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

Recent political happenings in Ohio in connection with appointments in the State Fire Marshal's Office, coupled with rumors of the proposed establishment of similar State Offices by legislation in several western States, has brought the question of the value of such State departments to insurance interests, sharply before Western Underwriters; the features of such legislation engaging particular attention, being the political nature of these offices, and the manner in which their maintenance is provided for. In the course of my remarks I will touch on both these features, but first wish to detail some of the causes that led up to the movements now rapidly gaining ground, looking to the establishment of these Fire Marshal Offices.

The value of official inquests of fires by State Officials, or by departments established for such purposes by State authority, has long been conceded by underwriters, and the theory of such official investigation of fires has been a subject of general interest and discussion in scientific and business organizations for almost a century, but although in almost every instance when the subject discussed, a general approval obtained little or no results realized therefrom in this country prior to the year 1857.

From 1865 to 1868, France, Russia, Germany, Denmark, and Sweden, by laws, established official inquests of fires in their principal cities, but in Russia alone were statistics gathered relative to the causes and numbers of fires, and the amount of property destroyed.

The first recorded instance in this country of any attempt toward official investigations of fires, and their causes, appears to have been in New York in 1857, when, by an act of Legislature, authority was given to any local coroner, sheriff, or deputy sheriff, upon the request of the president, secretary, or agent of any insurance company, or by two or more reputable freeholders, to hold an inquest into the causes of fires.

Ten years later, in 1867, the Massachusetts Legislature enacted a law providing for official inquests of fires, and their causes. This law required the mayor, or a majority of the aldermen, (or selectmen) of a city or town, to certify in writing that the cause of the fire was a proper one for investigation. Similar statutes to those of New York and Massachusetts were enacted in a number of States, but all were practically valueless from the date of their passage. It was found impossible to obtain the co-operation of individual property owners, who, if not directly interested, would assume the responsibility of declaring in writing, another's property had been set on fire by design or procurement.

The suspect might be a prominent man in the locality, on whose character such an accusation would be a reflection, and if the facts were not proven, the accuser might be subject to a legal action for damages. Or some disreputable character, who might seek revenge on the accuser or the local officers for assuming that his fire was an incendiary one. Again, a general apathy was shown by local officials and great laxity in the conduct of the few inquests held. It soon became obvious that the authority for such investigations should be in the hands of other than local officials, and preferably in the charge of State officials beyond the influence of fear or favor.

At this time, but thirteen States and (or) territories have any legislative provisions for the investigation of fires, viz., Alabama, Connecticut, District of Columbia, Louisiana, Maine, Maryland, Massachusetts, New Hampshire, New York, North Carolina, Ohio, Pennsylvania and Washington, and of this list, Massachusetts and Ohio alone have created and maintain State Fire Marshal Offices, from which data obtainable as to their method of operation and effectiveness, the laws of other States mentioned providing mainly for investigations by local authorities only.

MASSACHUSETTS STATE FIRE MARSHAL OFFICE.

The State of Massachusetts was the first to recognize the ineffectiveness of the old statutes enacted to provide for fire inquests, and in 1894 the Legislature passed "An act to establish the office of State Fire Marshal." This statute provided for an appointment by the Governor of the State of a State Fire Marshal, and one deputy, to hold office for a term of five years, at an annual salary of \$4,500.00 and \$2,500.00 respectively. Also for such clerks and assistants, and such expense as might be necessary in the operation of the department. The maintenance of the department was provided for by annual appropriations by the General Court. Authority was granted to summons and examine any person under oath; to separate witnesses; to compel attendance of witnesses by application to the courts; to cause the removal of any inflammable materials and (or) the existance of conditions liable to cause fire, from buildings. Specific penalties were provided in the statute for failure of property owners, and city and town officers, to comply with the orders of the State Fire Marshal.

A State Fire Marshal Office was duly established, and Mr. Charles W. Whitcomb of Boston appointed by the Governor. Mr. Whitcomb had, for eight years, held the office of Fire Marshal for the city of Boston, and in that position had shown great capability. He promptly organized the State department, and under his able administration the office achieved great success. Mr. Whitcomb was continued in office until 1902, when, by an act of Legislature, the State Fire Marshal's office was amalgamated with the dis-

trict (or State) police, a new department of the police being established, with the same powers that were conferred and imposed on the State Fire Marshal. The efficiency of the office, it is claimed, was not impaired, but increased by this consolidation, in that the co-operation of the State police obtained, and the power of arrest thereby secured, which latter feature was not conferred upon the Fire Marshal under the original act.

The record of the Massachusetts State Fire Marshal's office is an excellent one. As a result of their operations the number of combined incendiary and unknown fires in the city of Boston has been reduced from an annual average of 35 per cent to the normal average of less than 7 per cent, and the number of incendiary fires in the city of Boston has been reduced to less than four per cent annually. The records show that the percentage of combined incendiary and unknown fires occurring throughout the whole State has been reduced from the former average of 33 per cent to an annual average of about 10 per cent; that the percentage of incendiary fires throughout the whole State has been reduced from an average of 33 per cent to less than 6 per cent, and that the department has obtained the conviction of, at least, one incendiary out of six, as against the former record of one conviction in sixty; convictions for incendiarism in Massachusetts alone numbering forty-five annually. The Massachusetts Fire Marshal Department of Police is now in operation, and is maintaining the excellent record of the predecessor department and the facts quoted thoroughly demonstrate the effectiveness and great value of this Massachusetts department.

OHIO'S STATE FIRE MARSHAL OFFICE.

The Ohio State Fire Marshal's Office was created by an act of Legislature on April 16th, 1900, and commenced operations in August of the same year. Under the provisions of this statute, the Governor of the State is empowered (by and with the consent of the Senate) to appoint a State Fire Marshal for a period of two years. The Marshal so appointed is empowered to appoint two Deputy Fire Marshals, and one chief assistant, and such clerks and assistants as may be necessary, and to incur such other expense as may be necessary, not exceeding the income of the department. All mayors or township clerks of cities or villages are required to investigate and report to the Marshal's office, all fires, and facts relating to the cause and origin of same, that occur in the territory under their jurisdiction. Any city or town official designated by this law is subject to certain specified fines for failure to attend the duties outlined by the statute.

The State Fire Marshal, Deputy State Fire Marshals, and Chief Assistant Fire Marshal, are empowered to take, or cause to be taken, the testimony under oath of any person who may have

knowledge of any facts relating to fires; to summons and compel attendance of witnesses; to separate witnesses; to require the production of books or papers; *to fine or imprison for contempt*; to cause the removal of any building or structure which may be dilapidated, or liable to cause a fire, and to cause the removal under penalty of a fine on owners of property, of combustible, explosive or inflammable materials dangerous to the safety of property.

For the purpose of maintaining the department, every insurance company doing business in the State, is required to pay to the Insurance Commissioner, annually, in addition to all other taxes required by law, one-half of one per cent on the gross premiums received by such companies, on all business done in Ohio, and any surplus remaining unexpended at the end of any fiscal year, is transferred to the general revenue fund of the State.

The city or township officials reporting fires are allowed the sum of fifty cents for each fire investigated, in addition to mileage at the rate of fifteen cents per mile.

(It will be noted that the principal differences between the Massachusetts and the Ohio laws, lie in the manner in which the maintainance of the departments provided for, the terms of office granted, and the powers given the Marshals).

Ohio's first State Fire Marshal, Mr. S. D. Hollenbeck, of Chardon, Ohio, although without an experience that would seem to qualify him, proved the man for the position, his record in office speaking for itself, and his judgment shown in the selection of deputies being most excellent.

The chief office was located at Columbus, in the central part of the State, and the balance of the State was apportioned in seven districts, assistant fire marshals being appointed and located in each such district. The duties of the assistants consists mainly of the preliminary work to an inquest. All fires reported to the department are apportioned to the assistants who investigate each case, to determine whether the information available warrants holding an inquest. Should the facts developed indicate the fire a doubtful one, the marshal, or one of his chief deputies, takes up the case and holds an inquest, examining, under oath, all persons implicated or suspected of having any knowledge of the fire or of any circumstances surrounding same.

Complete indexed reports of all fires, causes of fires, particulars obtained during investigations, or inquests, are kept on file in the chief office at Columbus, and are open to inspection of the public.

Prior to the establishment of this State Fire Marshal's Office, for a period of ten years, there had been but forty-one convictions for arson in the State of Ohio, while in sixty out of eighty-eight counties, not a single conviction had been had in that time.

The following facts prepared from the records of the State Fire Marshal's office show rather clearly the work accomplished since its establishment: From August 1st, 1900, to January 1st, 1901, two hundred and twenty-nine fires were investigated; eighteen cases were presented to grand juries; fourteen indictments returned; five cases were tried; four convictions obtained, with nine cases pending trial. During 1901, five hundred and sixty-five doubtful fires were investigated; seventy-two warrants issued; sixty-six arrests made; fifty-three cases presented to grand juries, and forty-three indictments returned; nine persons were convicted of incendiarism, and seven persons committed to insane asylums. During 1902, eleven hundred and thirty-nine fires were investigated; sixty arrests made; two persons fled the State before arrest; forty-nine bound over to grand juries; thirty-six indictments secured; five persons adjudged insane; twenty-five convictions secured, and twenty-two cases were pending trial at the end of the year. During 1903, sixteen hundred and sixty-four fires were investigated; ninety-one arrests made; five persons fled the State before arrest; forty-six were bound over to grand juries; seventy-six were indicted; twelve acquitted; thirty-six convictions secured; nine persons committed to insane asylums, and twenty-seven cases were pending trial at the end of the year. During the first six months of 1904, (which ended Marshal Hollenbeck's official connection with the department), there were forty-one indictments secured; eighty-four cases in preparation, and thirteen cases pending because the accused persons had fled from the State to avoid arrest.

The most notable achievement of the Marshal's office during Mr. Hollenbeck's incumbency, was the discovery and punishment of a gang of fire bugs (known as the Morrison-Page gang) that had been operating for over twenty years in Williams, Fayette, and Fulton counties in the northwestern part of the State of Ohio. For years the insurance companies had poured thousands upon thousands of dollars into the counties named, in payment of losses from fires of unknown or suspicious origin, and the excessive loss ratio occasioned the retirement of so many companies, that at this time but comparatively few do business in that section of the State.

In 1902, Deputy Marshal Hollenbeck, while investigating a suspicious fire in a small grocery store in West Unity, Ohio, secured evidence, and afterwards obtained a number of confessions that eventually led to the indictment of forty-eight persons in the three counties named, eighteen of which have since been convicted and sentenced to various terms of imprisonment in the penitentiary, and thirty cases are now pending trial. One member of this band confessed to setting over twenty-five fires by his own hand, and admitted that the gang had been operating for over

twenty years in northwestern Ohio, eastern Indiana, and southern Michigan. In the absence of a State Fire Marshal office in either of the latter named States, nothing has been done toward bringing to justice persons known to be implicated in fires occurring in Indiana and Michigan, but the data concerning numerous fires in these two States is now in the possession of the Ohio State Fire Marshal's office, in event such offices established later on. It is estimated by Marshal Hollenbeck, from the facts he holds, that this gang of "fire bugs" destroyed property valued, approximately, at \$300,000, on which insurance was paid aggregating nearly \$250,000. Some of the fires set by this lawless gang resulted in conflagrations, Montpelier and West Unity, Ohio, both suffering from sweeping fires set by members of this band. There were ten active members of the gang, the leaders being H. B. Morrison and Jack Page.

Incendiарism had grown to be a business with this gang as shown by the cold blooded manner in which they referred to their acts. In a great number of cases the leaders of the gang were employed by people to burn buildings, and in all such cases it was the custom of the incendiaries to refer to such a job as a "*contract*" which they had taken, or which had been "*sub-let*" to them.

One feature of interest in connection with the discovery of this Morrison-Page gang, was the return of moneys, (in some cases with interest added) by some of the persons implicated, to the companies that had paid them losses years before, presumably with the idea that their offenses might thereby be condoned by the courts. Some of the losses paid by the companies amounted to considerable sums, and a movement is now on foot looking to a concerted attempt by the companies interested, at recovery in cases where the persons implicated are financially responsible.

It will be noted from the facts given that the results obtained by the Ohio department increased from year to year, as the deputies and assistants acquired experience in, and knowledge of, their duties, and that the office did not show a marked efficiency until during the third and fourth years of its life.

The efficiency of the State Fire Marshal's office during the past two years is the result of experience gained by constant contact with, and study of, conditions surrounding suspicious and incendiary fires, and demonstrates the absolute necessity of capable and efficient Marshals and deputies being in charge of such offices.

POLITICAL INFLUENCES.

That State Fire Marshal offices should be kept free from political pulls and influences, is generally conceded, but I fail to see how they can be kept *entirely clear* of politics. Whether such offices operate under State or National authority, the appointive

powers still lie in the hands of politicians. In State offices the appointment is in the hands of the Governor, and the patronage of the twenty or more minor positions to be filled makes the office a very attractive one to the spoilsman. This fact has been clearly evidenced by the recent action of the Governor of Ohio in removing from office an exceedingly capable and efficient Marshal (and practically his entire staff), appointing in the stead an unknown quantity in the shape of a Cuyahoga county politician, and a corps of deputies, that have no knowledge or conception of the office, or its duties. Substantially all of the deputies and the assistants that had any knowledge of value concerning the methods of the department, or the many cases now pending trial, were removed; (including the two chief deputies best qualified to continue the successful operation of the office) and the incoming Marshal and assistants appear qualified by reason of their political affiliations only.

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INSURANCE COMPANIES TO PAY CAMPAIGN MANAGER.

Unless the Plain Dealer has been mistaken in forecasting Mr. Davis' programme for the coming fall, it looks as if the fire insurance companies have been buncoed. They are required by law to pay into the State of Ohio upwards of \$40,000 a year, part of which is to go as salary to the manager of the Republican campaign in Cuyahoga county, while his deputies and clerks do the work. In other words, the office of fire marshal is no longer necessary. The deputies and clerks do the work, while the boss will draw the largest salary and devote his time and energy to outside interests.

IS THE FIRE MARSHALSHIP JUST A POLITICAL PLUM?

In other words the fire marshalship is to be considered merely as a political plum and its incumbent need not pay attention to the duties of his office, but make himself generally useful to the party of the governor who shakes the plum into his lap. The bleeding of fire insurance companies through taxation is nothing new, but holding them up to pay the salaries of campaign managers is a development which has not heretofore come prominently to the surface.—*Cleveland Plain Dealer*.

Hy. D. Davis will spend the larger part of this month in becoming thoroughly acquainted with details of the management of the state fire marshal's office. Mr. Davis, who will assume control of the office July 15th, wants to have things in such shape by the middle of August that he can spend the most of his time from then on until November in Republican campaign work in this county.

DAVIS WILL MAKE CHANGES.

Among the first changes that will probably be made in the working force of the office will be the appointment of new deputies for the larger cities of the state. Mr. Davis plans to have deputies of his own selection at Cleveland, Cincinnati, Columbus and Toledo. If he gets a corps of efficient deputies and assistants placed in charge of the work of the office Mr. Davis sees at present nothing to prevent his active management of the Cuyahoga campaign in his capacity as chairman of the executive committee.

The news of Mr. Davis' appointment had scarcely been announced when the faithful came pouring in with requests for a place on the staff of deputies and assistants. But none of the applicants was given any satisfaction. Mr. Davis

will go to Columbus this week, and until after he has looked into the methods of operating the department he proposes to say nothing out loud concerning appointments. It is not probable that any deputies will be appointed before the return of Governor Herrick from his vacation two weeks hence.—*Cleveland News*.

No attention was paid by the Governor to the request of practically every insurance company doing business in the State, coupled with the indorsement of many prominent citizens, for the re-appointment of Marshal Hollenbeck, and it is openly charged in the State press, the reason lay in the intent of the Governor to establish a personal political machine out of the twenty odd positions at command in this office; *all at the expense of the insurance companies*.

Had the emasculation of this State Fire Marshal's office been occasioned by a change to a Democratic administration, it would not have caused great surprise, but that the efficiency of the department should be practically destroyed by a Republican Governor for personal political reasons alone, caused universal dissatisfaction and disgust.

The course of Governor Herrick in removing from office the Marshal, and his corps of efficient deputies, at a time when eighty-four important cases were pending trial, in favor of his political henchmen, was an outrageous act (absolutely indefensible when viewed from any other standpoint than that of a professional politician), and well merited the severe condemnation it received in the columns of the press, and from business and insurance interests.

The important pending litigation should have been considered by at least the retention of one or two of the deputies that were familiar with the cases now in court, and the companies who "*pay the bills*" thereby accorded some slight recognition and courtesy.

TERM OF OFFICE.

The Massachusetts law provides for a five year term of office for the Marshal, the Ohio statute grants but a two year term. It is a self-evident fact, that unless the appointee is *born* for such a position, or is qualified by a previous experience in some similar office, or detective work, he cannot, in the two year term of office granted, educate and qualify himself and at the same time successfully administer the duties of the office.

Our recent experiences in Ohio indicate that any change in the Marshalship carries with it the retirement of the staff of the department, and, consequently, the term of office should not be so limited, but, if possible, extended to at least a five year term.

Marshal Hollenbeck was continued in office four years by reason of the re-election of the Governor who had appointed him, for a second term, otherwise, in all probability, he would have been ousted at the end of his first term, and as the State Fire

Marshal's office for the first two years was practically valueless other than for the moral effect the necessity for longer term of office, is apparent.

EXPENSE OF OFFICE.

It was not anticipated by the authors of this Ohio Fire Marshal law that the assessment levied on the companies for the maintenance of the department would provide such a liberal amount that a surplus would pile up in the hands of the Fire Marshal, but under Marshal Hollenbeck's economic and careful administration, that circumstance resulted.

On January 1st, 1901, the surplus on hand, over and above all expenses to that date, was \$26,453.31. On January 1st, 1902, the surplus was \$40,319.61. On January 1st, 1903, the surplus was \$44,933.07. On January 1st, 1904, the surplus was \$27,-940.59.

That section of the present statute providing for the transfer of any surplus to the general revenue fund of the State, is an amendment to the law promptly provided by the thoughtful (?) Legislature when (to their intense surprise) they learned a surplus existed in one of Ohio's State departments.

The present Fire Marshal, immediately on assuming charge of the office, created five new districts and increased the number of assistants from seven to twelve. In my judgment this large force of assistants is entirely unnecessary (unless for the purpose of eliminating the surplus existing) as from my investigations, and personal knowledge of the methods and operation of the office, I am satisfied that five competent assistants in addition to the Marshal, and his three deputies, can thoroughly cover the State and successfully operate the department.

From an analysis of the expense account of this office, it would appear that the cost of maintaining the department should not, under judicious management, exceed \$25,000.00 per annum, and, consequently, the assessment on the companies of over \$40,000.00 annually, makes the State Fire Marshal office a source of revenue and profit to the State.

The Massachusetts law differs from the Ohio statute in the feature of greatest interest to the insurance companies, to wit, the provision for the maintenance of the office. In Massachusetts, the expense is provided for by annual appropriations by the State, in Ohio, by direct tax of one-half of one per cent on the gross premiums of the companies. This latter method is discriminating and unjust, placing as it does, the whole burden of supporting a State office for the prosecution of crimes against the *whole public*, upon a limited portion of that public. It is *special taxation*, and for that reason, and the further fact of the *extraordinary judicial powers* granted the Marshal, the statute, in the

opinion of prominent legal authorities, is clearly an unconstitutional measure. If, as it has been stated, Fire Marshal laws patterned after the Ohio statute, and incorporating this extra tax feature, are proposed, or are now pending in other western States, these opinions appear to point the way for the checking or defeat of such measures. The companies are already overburdened with excessive taxation, license fees, and charges, and with the probability of political conditions similar to those in Ohio surrounding such offices, it is high time a halt is called on the establishment of such State departments *at the expense of the insurance companies.*

It will become a matter of some moment to company managements if all, or a number, of the western States, increase the expense of doing business one-half of one per cent at a time when the cry from all quarters is for a reduction of the expense ratio.

To those of you that have jurisdiction in States where such State Fire Marshal laws are proposed, I commend to your attention the Massachusetts law, with particular reference to the provisions for maintenance of the department and the Marshal's term of office, and I suggest the influence of your general, state and local organizations be directed against the enactment of such legislation where it is sought to place the burden of the maintenance of such offices upon the already over-taxed companies. By the influences you can bring, through your organizations, such measures can be properly amended, or defeated. That the insurance interests have the necessary influence to do this, was shown in Ohio several years ago, when a vicious license law was proposed, which sought to assess a license of \$25.00 for each agent of insurance companies doing business in that State. The influence of practically two companies alone brought through their local representatives, resulted in an overwhelming defeat of this measure, and I can see no reason why the combined influence of the companies' various organizations, if properly directed, should not grant some immunity from the restrictions and exactions of the petty politicians.

The Ohio State Fire Marshal law, under which we may look for a new incumbency every two years (or on every change of State administration) and with the expense of the office assessed upon the insurance companies, is an unjust, discriminating, objectionable statute, and under the present conditions surrounding the office with no prospect of any change in the law, the department is, in my judgment, so imperfect and ineffective, that it is not worth to the companies the money they are now required to pay to maintain it.

The Ohio Fire Marshal's office is costing the insurance companies over \$40,000.00 a year, and they are entitled to good service, and their views as to the kind and class of officials to operate the office should have some recognition; failing in both

these points, it will be to the companies' best interests that this law be abolished.

Will the managements of the companies doing business in Ohio submit to the conditions now existing, and continue to pay tribute to the "machine" at the behest of the politicians? I think not! I cannot believe they will sit supinely by with the remedy in their own hands, and allow the plunder of the companies' tills by political harpies for the maintenance of a State department that promises to be *but* for the distribution of "Pap" to hungry job hunters.

I believe the companies doing business in Ohio should join in refusing to pay the assessment levied for the maintenance of this Fire Marshal's office, or, pay same under protest, and arrange to test the constitutionality of the law. If declared unconstitutional by the courts, the companies will be relieved of the burden of the expense of a State office that promises them nothing. If held a constitutional measure (which is quite improbable) they will have lost nothing.

It has been suggested in some recent articles in the insurance press, that it would be best that we refrain from any action that might tend to change or abolish this Ohio statute, for fear that by such a movement, we might incur the enmity of the political bosses, or cause the enactment of a much worse law that would be constitutional. For the benefit of such weak kneed brethren, I will say that we of Ohio have no such fears. We do not believe that we can incur any more enmity than now exists against the companies in that State; and as for a new measure, if the present statute is an unconstitutional one, no constitutional law can be evolved that will oblige the companies to provide for the maintenance of such a State department.

No hesitancy was shown by the companies in attacking the unjust and discriminating tax laws of Iowa and Illinois—why fear Ohio? Ohio, indeed, grants us some unique conflicting laws. The State maintains upon its statute books, a valued Policy Law, that in its effect offers a standing reward for the crime of arson, and at the same time a statute providing for a Fire Marshal, whose duty it is to apprehend for punishment any citizen that endeavors to profit by the first named vicious statute. Such abortive legislation is not only unique—it is *grotesque*.

That State Fire Marshal offices in charge of honest and capable officials, operating under proper legislative acts, and authority, are of great benefit to the people (and to the insurance business as well) admits of no doubt, but these offices are created solely in the interests of the *people*, and not for the benefit of the insurance companies, as the average legislator seems to think—the benefit to the insurance business is purely *incidental*, being entirely subordinate to the general purpose of the law. Such State offices should

be created and maintained as free from political influences as possible, for the protection of public and private property, for the safety of human life, in the interest of justice—FOR THE BENEFIT OF HUMANITY.

The President—

I wish that every politician and every legislator might have time not only to read, but to think over the excellent points made in that paper. I should like very much if we might have some discussion of this most interesting subject.

Before we begin on the other paper there is a duty which is incumbent upon your chairman. Section eleven of the by-laws provides that on the first day the President shall appoint a committee of five members, who shall nominate nine members to serve as directors, reporting their names to the Association for its consideration and election in the regular course of the meeting.

I shall appoint on that committee the following gentlemen: H. N. Kelsey, Chairman, S. E. Cate, G. C. Main, John F. Stafford, W. E. Vandeventer.

On looking into the faces of the assembled members I see some that I think in their life work have probably appreciated the great need of a technical learning of the business at the outset. The insurance business is said to be a kind of catch-all. If a man does not succeed in some other business he can succeed in the insurance business. That does not mean that some men who have been comparatively unsuccessful in other lines of business have not made the very best material for the insurance business, but the point I wish to make is that any man who has followed the business as a business realizes at times that there is great need for instruction from a technical standpoint. It is a question of technical qualification for the business.

This subject was dwelt upon to a slight extent in the annual address this morning, and we have, gentlemen, a paper to be read that further treats of that subject.

I have the pleasure of introducing to you Mr. W. H. Stevens, of Watertown, N. Y., Secretary Agricultural Insurance Company, who will now read a paper entitled: "The New Learning."

THE NEW LEARNING.

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWITERS' ASSOCIATION OF THE NORTHWEST.

A candid friend is one of the choicest blessings a beneficent Providence showers on us during our brief probation here. I count myself happy in the possession of such a monitor, whose delight in his power to minister to edification is not diminished by

the sight of one's agony under his discipline. While for a livelihood he is ostensibly engaged in some slight manufacturing operations, his heart enjoys its deepest thrills only when the legislative halls at Albany echo to his eloquence. That this latter occupation produces more excitement than emolument is evidenced by a recent suggestion from him that if I would "get him a job" in the insurance business he would guarantee we would never again be called to Albany to "see the committee" about his Valued-Policy—Anti-Compact—Anti-Coininsurance — and — Five-Per-Cent-Gross-Premium-Tax Measure. "But," said I, "you don't know anything about the insurance business. You couldn't earn a shipping clerk's salary."

"Don't I?" said he, "and couldn't I? What ice does that cut? You don't mean to say yours is a business that needs any special education?"

"Surely I do," said I, "very special training."

"Well," said he, "I think you're right. It does *need* it, but so far I've observed, it doesn't get it. I know a lot of agents; and a few blotters seems to be the real *sine qua non*. I know some of your inspectors, and they—well, they're dandy dressers; and as for your officers, you might just as well be book-makers; there is hardly one in the whole bunch that ever showed his face in Albany who claimed he was expert enough to make a trade profit and who didn't depend on the ticker for his dividends."

While my friend, for all the help he will receive from me, will continue to eke out a meagre existance with the assistance of legislative measures to bleed the various octopi within his reach, he did set me a-thinking, and here you have the product.

Something must be wrong with fire insurance. Decade after decade passes and no substantial results accrue to the stockholder, save such as may be secured by the clever manipulation of securities. Subject, as the business is, to sudden and overwhelming calamity, the capital, if invested in the least speculative securities easily earning over four per cent, is entitled, when exposed to the hazards of our business, to at least as handsome a return as the capital of the merchant or manufacturer or banker. But it looks and waits in vain for any such result. The institution whose origin dates back a generation or so and which has, by slow accretions, accumulated reserves in excess of its captialization, does now, it is true, pay handsome dividend rates, but not from its trade profit. He would be an audacious underwriter who would to-day launch a new company for other than eleemosynary reasons.

These are familiar facts to you, but from them we have, I fear, been drawing wrong conclusions. We have cast the blame on the bucolic or the burglarious legislator; on the iniquities of the incendiary policy-holder; on the times because they are too good;

on the times because they are too bad; on the agent because he is too greedy or too indifferent; on electricity; on gasoline; on the tramp, and on the rat! They have all had a hand in the precious business, but I am veering slowly around to the conclusion that in the last analysis the trouble with the business is the ignorance of the manager and his staff.

What an intricate business is ours! Touching, as it does, every material interest in the whole world, what a universal genius a man must be to handle it aright! There is scarcely a department of commerce or manufacture, or of domestic, scientific or religious activity, with which he does not come in intimate contact and which does not confront him with some sort of problem.

From another point of view, we may say that there is not one of these interests that does not impose some obligation upon him of helpfullness and guidance, not one to which he cannot guarantee greater permanence, if he has considered his career and his calling seriously enough, and if he has adequately equipped himself by experiment, observation, study and reflection. Nevertheless it is only the most recent of the developments of the business that special training—that is, special technical training—has been deemed essential or has been encouraged and rewarded. Long and tedious courses are prescribed for lines of activity not one whit more technical or different than ours. Underwriters have, however, been expected to develop from bright office-boys or successful solicitors, with the aid of such a veneer of technical knowledge as a few weeks' experience can give. Questions of aptitude, of natural gifts, of temperament, are sometimes ignored as well, but often are relied upon to supply deficiencies in education. The conviction seems at last to be slowly mastering the minds of the fraternity that this is error and that it takes years of schooling to make an underwriter, and that it is a tremendous advantage to have as a sub-stratum a knowledge of mathematics and natural science and a brain disciplined by exercises in abstract thinking.

Though gratitude may be defined as a lively expectation of favors to come, this is a pretty wise old world; it knows what it wants, it recognizes and rewards its real benefactors with considerable discrimination. Among the followers of most lines of endeavor there are men and women whose names are household words, whose fame is international and is as great outside as inside the ranks of their confreres, because of their accomplishment, their uplift, their new principles or their new methods. Those who dedicate their activities to a profession, to commerce, to finance, to manufacture, have always before them examples in their own ranks of this sort of fame and the hope of this sort of achievement. But where are our great ones? In all the long list of insurance managers that have come and gone or that are now

powers still lie in the hands of politicians. In State offices the appointment is in the hands of the Governor, and the patronage of the twenty or more minor positions to be filled makes the office a very attractive one to the spoilsman. This fact has been clearly evidenced by the recent action of the Governor of Ohio in removing from office an exceedingly capable and efficient Marshal (and practically his entire staff), appointing in the stead an unknown quantity in the shape of a Cuyahoga county politician, and a corps of deputies, that have no knowledge or conception of the office, or its duties. Substantially all of the deputies and the assistants that had any knowledge of value concerning the methods of the department, or the many cases now pending trial, were removed; (including the two chief deputies best qualified to continue the successful operation of the office) and the incoming Marshal and assistants appear qualified by reason of their political affiliations only.

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From an analysis of the expense account of this office, it would appear that the cost of maintaining the department should not, under judicious management, exceed \$25,000.00 per annum, and, consequently, the assessment on the companies of over \$40,000.00 annually, makes the State Fire Marshal office a source of revenue and profit to the State.

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opinion of prominent legal authorities, is clearly an unconstitutional measure. If, as it has been stated, Fire Marshal laws patterned after the Ohio statute, and incorporating this extra tax feature, are proposed, or are now pending in other western States, these opinions appear to point the way for the checking or defeat of such measures. The companies are already overburdened with excessive taxation, license fees, and charges, and with the probability of political conditions similar to those in Ohio surrounding such offices, it is high time a halt is called on the establishment of such State departments *at the expense of the insurance companies*.

It will become a matter of some moment to company managements if all, or a number, of the western States, increase the expense of doing business one-half of one per cent at a time when the cry from all quarters is for a reduction of the expense ratio.

To those of you that have jurisdiction in States where such State Fire Marshal laws are proposed, I commend to your attention the Massachusetts law, with particular reference to the provisions for maintenance of the department and the Marshal's term of office, and I suggest the influence of your general, state and local organizations be directed against the enactment of such legislation where it is sought to place the burden of the maintenance of such offices upon the already over-taxed companies. By the influences you can bring, through your organizations, such measures can be properly amended, or defeated. That the insurance interests have the necessary influence to do this, was shown in Ohio several years ago, when a vicious license law was proposed, which sought to assess a license of \$25.00 for each agent of insurance companies doing business in that State. The influence of practically two companies alone brought through their local representatives, resulted in an overwhelming defeat of this measure, and I can see no reason why the combined influence of the companies' various organizations, if properly directed, should not grant some immunity from the restrictions and exactions of the petty politicians.

The Ohio State Fire Marshal law, under which we may look for a new incumbency every two years (or on every change of State administration) and with the expense of the office assessed upon the insurance companies, is an unjust, discriminating, objectionable statute, and under the present conditions surrounding the office with no prospect of any change in the law, the department is, in my judgment, so imperfect and ineffective, that it is not worth to the companies the money they are now required to pay to maintain it.

The Ohio Fire Marshal's office is costing the insurance companies over \$40,000.00 a year, and they are entitled to good service, and their views as to the kind and class of officials to operate the office should have some recognition; failing in both

these points, it will be to the companies' best interests that this law be abolished.

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I believe the companies doing business in Ohio should join in refusing to pay the assessment levied for the maintenance of this Fire Marshal's office, or, pay same under protest, and arrange to test the constitutionality of the law. If declared unconstitutional by the courts, the companies will be relieved of the burden of the expense of a State office that promises them nothing. If held a constitutional measure (which is quite improbable) they will have lost nothing.

It has been suggested in some recent articles in the insurance press, that it would be best that we refrain from any action that might tend to change or abolish this Ohio statute, for fear that by such a movement, we might incur the enmity of the political bosses, or cause the enactment of a much worse law that would be constitutional. For the benefit of such weak kneed brethren, I will say that we of Ohio have no such fears. We do not believe that we can incur any more enmity than now exists against the companies in that State; and as for a new measure, if the present statute is an unconstitutional one, no constitutional law can be evolved that will oblige the companies to provide for the maintenance of such a State department.

No hesitancy was shown by the companies in attacking the unjust and discriminating tax laws of Iowa and Illinois—why fear Ohio? Ohio, indeed, grants us some unique conflicting laws. The State maintains upon its statute books, a valued Policy Law, that in its effect offers a standing reward for the crime of arson, and at the same time a statute providing for a Fire Marshal, whose duty it is to apprehend for punishment any citizen that endeavors to profit by the first named vicious statute. Such abortive legislation is not only unique—it is *grotesque*.

That State Fire Marshal offices in charge of honest and capable officials, operating under proper legislative acts, and authority, are of great benefit to the people (and to the insurance business as well) admits of no doubt, but these offices are created solely in the interests of the *people*, and not for the benefit of the insurance companies, as the average legislator seems to think—the benefit to the insurance business is purely *incidental*, being entirely subordinate to the general purpose of the law. Such State offices should

be created and maintained as free from political influences as possible, for the protection of public and private property, for the safety of human life, in the interest of justice—FOR THE BENEFIT OF HUMANITY.

The President—

I wish that every politician and every legislator might have time not only to read, but to think over the excellent points made in that paper. I should like very much if we might have some discussion of this most interesting subject.

Before we begin on the other paper there is a duty which is incumbent upon your chairman. Section eleven of the by-laws provides that on the first day the President shall appoint a committee of five members, who shall nominate nine members to serve as directors, reporting their names to the Association for its consideration and election in the regular course of the meeting.

I shall appoint on that committee the following gentlemen: H. N. Kelsey, Chairman, S. E. Cate, G. C. Main, John F. Stafford, W. E. Vandeventer.

On looking into the faces of the assembled members I see some that I think in their life work have probably appreciated the great need of a technical learning of the business at the outset. The insurance business is said to be a kind of catch-all. If a man does not succeed in some other business he can succeed in the insurance business. That does not mean that some men who have been comparatively unsuccessful in other lines of business have not made the very best material for the insurance business, but the point I wish to make is that any man who has followed the business as a business realizes at times that there is great need for instruction from a technical standpoint. It is a question of technical qualification for the business.

This subject was dwelt upon to a slight extent in the annual address this morning, and we have, gentlemen, a paper to be read that further treats of that subject.

I have the pleasure of introducing to you Mr. W. H. Stevens, of Watertown, N. Y., Secretary Agricultural Insurance Company, who will now read a paper entitled: "The New Learning."

THE NEW LEARNING.

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWITERS' ASSOCIATION OF THE NORTHWEST.

A candid friend is one of the choicest blessings a beneficent Providence showers on us during our brief probation here. I count myself happy in the possession of such a monitor, whose delight in his power to minister to edification is not diminished by

the sight of one's agony under his discipline. While for a livelihood he is ostensibly engaged in some slight manufacturing operations, his heart enjoys its deepest thrills only when the legislative halls at Albany echo to his eloquence. That this latter occupation produces more excitement than emolument is evidenced by a recent suggestion from him that if I would "get him a job" in the insurance business he would guarantee we would never again be called to Albany to "see the committee" about his Valued-Policy—Anti-Compact—Anti-Coinurance — and — Five-Per-Cent-Gross-Premium-Tax Measure. "But," said I, "you don't know anything about the insurance business. You couldn't earn a shipping clerk's salary."

"Don't I?" said he, "and couldn't I? What ice does that cut? You don't mean to say yours is a business that needs any special education?"

"Surely I do," said I, "very special training."

"Well," said he, "I think you're right. It does *need* it, but so far I've observed, it doesn't get it. I know a lot of agents; and a few blotters seems to be the real *sine qua non*. I know some of your inspectors, and they—well, they're dandy dressers; and as for your officers, you might just as well be book-makers; there is hardly one in the whole bunch that ever showed his face in Albany who claimed he was expert enough to make a trade profit and who didn't depend on the ticker for his dividends."

While my friend, for all the help he will receive from me, will continue to eke out a meagre existance with the assistance of legislative measures to bleed the various octopi within his reach, he did set me a-thinking, and here you have the product.

Something must be wrong with fire insurance. Decade after decade passes and no substantial results accrue to the stockholder, save such as may be secured by the clever manipulation of securities. Subject, as the business is, to sudden and overwhelming calamity, the capital, if invested in the least speculative securities easily earning over four per cent, is entitled, when exposed to the hazards of our business, to at least as handsome a return as the capital of the merchant or manufacturer or banker. But it looks and waits in vain for any such result. The institution whose origin dates back a generation or so and which has, by slow accretions, accumulated reserves in excess of its captialization, does now, it is true, pay handsome dividend rates, but not from its trade profit. He would be an audacious underwriter who would to-day launch a new company for other than eleemosynary reasons.

These are familiar facts to you, but from them we have, I fear, been drawing wrong conclusions. We have cast the blame on the bucolic or the burglarious legislator; on the iniquities of the incendiary policy-holder; on the times because they are too good;

on the times because they are too bad; on the agent because he is too greedy or too indifferent; on electricity; on gasoline; on the tramp, and on the rat! They have all had a hand in the precious business, but I am veering slowly around to the conclusion that in the last analysis the trouble with the business is the ignorance of the manager and his staff.

What an intricate business is ours! Touching, as it does, every material interest in the whole world, what a universal genius a man must be to handle it aright! There is scarcely a department of commerce or manufacture, or of domestic, scientific or religious activity, with which he does not come in intimate contact and which does not confront him with some sort of problem.

From another point of view, we may say that there is not one of these interests that does not impose some obligation upon him of helpfullness and guidance, not one to which he cannot guarantee greater permanence, if he has considered his career and his calling seriously enough, and if he has adequately equipped himself by experiment, observation, study and reflection. Nevertheless it is only the most recent of the developments of the business that special training—that is, special technical training—has been deemed essential or has been encouraged and rewarded. Long and tedious courses are prescribed for lines of activity not one whit more technical or different than ours. Underwriters have, however, been expected to develop from bright office-boys or successful solicitors, with the aid of such a veneer of technical knowledge as a few weeks' experience can give. Questions of aptitude, of natural gifts, of temperament, are sometimes ignored as well, but often are relied upon to supply deficiencies in education. The conviction seems at last to be slowly mastering the minds of the fraternity that this is error and that it takes years of schooling to make an underwriter, and that it is a tremendous advantage to have as a sub-stratum a knowledge of mathematics and natural science and a brain disciplined by exercises in abstract thinking.

Though gratitude may be defined as a lively expectation of favors to come, this is a pretty wise old world; it knows what it wants, it recognizes and rewards its real benefactors with considerable discrimination. Among the followers of most lines of endeavor there are men and women whose names are household words, whose fame is international and is as great outside as inside the ranks of their confreres, because of their accomplishment, their uplift, their new principles or their new methods. Those who dedicate their activities to a profession, to commerce, to finance, to manufacture, have always before them examples in their own ranks of this sort of fame and the hope of this sort of achievement. But where are our great ones? In all the long list of insurance managers that have come and gone or that are now

powers still lie in the hands of politicians. In State offices the appointment is in the hands of the Governor, and the patronage of the twenty or more minor positions to be filled makes the office a very attractive one to the spoilsmen. This fact has been clearly evidenced by the recent action of the Governor of Ohio in removing from office an exceedingly capable and efficient Marshal (and practically his entire staff), appointing in the stead an unknown quantity in the shape of a Cuyahoga county politician, and a corps of deputies, that have no knowledge or conception of the office, or its duties. Substantially all of the deputies and the assistants that had any knowledge of value concerning the methods of the department, or the many cases now pending trial, were removed; (including the two chief deputies best qualified to continue the successful operation of the office) and the incoming Marshal and assistants appear qualified by reason of their political affiliations only.

Perhaps Mr. Davis does not consider politics and the running of a campaign as business. It may be merely recreation for him. To ordinary people, the management of a campaign appears to be very much business.

INSURANCE COMPANIES TO PAY CAMPAIGN MANAGER.

Unless the Plain Dealer has been mistaken in forecasting Mr. Davis' programme for the coming fall, it looks as if the fire insurance companies have been buncoed. They are required by law to pay into the State of Ohio upwards of \$40,000 a year, part of which is to go as salary to the manager of the Republican campaign in Cuyahoga county, while his deputies and clerks do the work. In other words, the office of fire marshal is no longer necessary. The deputies and clerks do the work, while the boss will draw the largest salary and devote his time and energy to outside interests.

IS THE FIRE MARSHALSHIP JUST A POLITICAL PLUM?

In other words the fire marshalship is to be considered merely as a political plum and its incumbent need not pay attention to the duties of his office, but make himself generally useful to the party of the governor who shakes the plum into his lap. The bleeding of fire insurance companies through taxation is nothing new, but holding them up to pay the salaries of campaign managers is a development which has not heretofore come prominently to the surface.—*Cleveland Plain Dealer*.

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"Don't I?" said he, "and couldn't I? What ice does that cut? You don't mean to say yours is a business that needs any special education?"

"Surely I do," said I, "very special training."

"Well," said he, "I think you're right. It does *need* it, but so far I've observed, it doesn't get it. I know a lot of agents; and a few blotters seems to be the real *sine qua non*. I know some of your inspectors, and they—well, they're dandy dressers; and as for your officers, you might just as well be book-makers; there is hardly one in the whole bunch that ever showed his face in Albany who claimed he was expert enough to make a trade profit and who didn't depend on the ticker for his dividends."

While my friend, for all the help he will receive from me, will continue to eke out a meagre existance with the assistance of legislative measures to bleed the various octopi within his reach, he did set me a-thinking, and here you have the product.

Something must be wrong with fire insurance. Decade after decade passes and no substantial results accrue to the stockholder, save such as may be secured by the clever manipulation of securities. Subject, as the business is, to sudden and overwhelming calamity, the capital, if invested in the least speculative securities easily earning over four per cent, is entitled, when exposed to the hazards of our business, to at least as handsome a return as the capital of the merchant or manufacturer or banker. But it looks and waits in vain for any such result. The institution whose origin dates back a generation or so and which has, by slow accretions, accumulated reserves in excess of its capitalization, does now, it is true, pay handsome dividend rates, but not from its trade profit. He would be an audacious underwriter who would to-day launch a new company for other than eleemosynary reasons.

These are familiar facts to you, but from them we have, I fear, been drawing wrong conclusions. We have cast the blame on the bucolic or the burglarious legislator; on the iniquities of the incendiary policy-holder; on the times because they are too good;

on the times because they are too bad; on the agent because he is too greedy or too indifferent; on electricity; on gasoline; on the tramp, and on the rat! They have all had a hand in the precious business, but I am veering slowly around to the conclusion that in the last analysis the trouble with the business is the ignorance of the manager and his staff.

What an intricate business is ours! Touching, as it does, every material interest in the whole world, what a universal genius a man must be to handle it aright! There is scarcely a department of commerce or manufacture, or of domestic, scientific or religious activity, with which he does not come in intimate contact and which does not confront him with some sort of problem.

From another point of view, we may say that there is not one of these interests that does not impose some obligation upon him of helpfullness and guidance, not one to which he cannot guarantee greater permanence, if he has considered his career and his calling seriously enough, and if he has adequately equipped himself by experiment, observation, study and reflection. Nevertheless it is only the most recent of the developments of the business that special training—that is, special technical training—has been deemed essential or has been encouraged and rewarded. Long and tedious courses are prescribed for lines of activity not one whit more technical or different than ours. Underwriters have, however, been expected to develop from bright office-boys or successful solicitors, with the aid of such a veneer of technical knowledge as a few weeks' experience can give. Questions of aptitude, of natural gifts, of temperament, are sometimes ignored as well, but often are relied upon to supply deficiencies in education. The conviction seems at last to be slowly mastering the minds of the fraternity that this is error and that it takes years of schooling to make an underwriter, and that it is a tremendous advantage to have as a sub-stratum a knowledge of mathematics and natural science and a brain disciplined by exercises in abstract thinking.

Though gratitude may be defined as a lively expectation of favors to come, this is a pretty wise old world; it knows what it wants, it recognizes and rewards its real benefactors with considerable discrimination. Among the followers of most lines of endeavor there are men and women whose names are household words, whose fame is international and is as great outside as inside the ranks of their confreres, because of their accomplishment, their uplift, their new principles or their new methods. Those who dedicate their activities to a profession, to commerce, to finance, to manufacture, have always before them examples in their own ranks of this sort of fame and the hope of this sort of achievement. But where are our great ones? In all the long list of insurance managers that have come and gone or that are now

powers still lie in the hands of politicians. In State offices the appointment is in the hands of the Governor, and the patronage of the twenty or more minor positions to be filled makes the office a very attractive one to the spoilsman. This fact has been clearly evidenced by the recent action of the Governor of Ohio in removing from office an exceedingly capable and efficient Marshal (and practically his entire staff), appointing in the stead an unknown quantity in the shape of a Cuyahoga county politician, and a corps of deputies, that have no knowledge or conception of the office, or its duties. Substantially all of the deputies and the assistants that had any knowledge of value concerning the methods of the department, or the many cases now pending trial, were removed; (including the two chief deputies best qualified to continue the successful operation of the office) and the incoming Marshal and assistants appear qualified by reason of their political affiliations only.

Perhaps Mr. Davis does not consider politics and the running of a campaign as business. It may be merely recreation for him. To ordinary people, the management of a campaign appears to be very much business.

INSURANCE COMPANIES TO PAY CAMPAIGN MANAGER.

Unless the Plain Dealer has been mistaken in forecasting Mr. Davis' programme for the coming fall, it looks as if the fire insurance companies have been buncoed. They are required by law to pay into the State of Ohio upwards of \$40,000 a year, part of which is to go as salary to the manager of the Republican campaign in Cuyahoga county, while his deputies and clerks do the work. In other words, the office of fire marshal is no longer necessary. The deputies and clerks do the work, while the boss will draw the largest salary and devote his time and energy to outside interests.

IS THE FIRE MARSHALSHIP JUST A POLITICAL PLUM?

In other words the fire marshalship is to be considered merely as a political plum and its incumbent need not pay attention to the duties of his office, but make himself generally useful to the party of the governor who shakes the plum into his lap. The bleeding of fire insurance companies through taxation is nothing new, but holding them up to pay the salaries of campaign managers is a development which has not heretofore come prominently to the surface.—*Cleveland Plain Dealer*.

Hy. D. Davis will spend the larger part of this month in becoming thoroughly acquainted with details of the management of the state fire marshal's office. Mr. Davis, who will assume control of the office July 15th, wants to have things in such shape by the middle of August that he can spend the most of his time from then on until November in Republican campaign work in this county.

DAVIS WILL MAKE CHANGES.

Among the first changes that will probably be made in the working force of the office will be the appointment of new deputies for the larger cities of the state. Mr. Davis plans to have deputies of his own selection at Cleveland, Cincinnati, Columbus and Toledo. If he gets a corps of efficient deputies and assistants placed in charge of the work of the office Mr. Davis sees at present nothing to prevent his active management of the Cuyahoga campaign in his capacity as chairman of the executive committee.

The news of Mr. Davis' appointment had scarcely been announced when the faithful came pouring in with requests for a place on the staff of deputies and assistants. But none of the applicants was given any satisfaction. Mr. Davis

will go to Columbus this week, and until after he has looked into the methods of operating the department he proposes to say nothing out loud concerning appointments. It is not probable that any deputies will be appointed before the return of Governor Herrick from his vacation two weeks hence.—*Cleveland News*.

No attention was paid by the Governor to the request of practically every insurance company doing business in the State, coupled with the indorsement of many prominent citizens, for the re-appointment of Marshal Hollenbeck, and it is openly charged in the State press, the reason lay in the intent of the Governor to establish a personal political machine out of the twenty odd positions at command in this office; *all at the expense of the insurance companies.*

Had the emasculation of this State Fire Marshal's office been occasioned by a change to a Democratic administration, it would not have caused great surprise, but that the efficiency of the department should be practically destroyed by a Republican Governor for personal political reasons alone, caused universal dissatisfaction and disgust.

The course of Governor Herrick in removing from office the Marshal, and his corps of efficient deputies, at a time when eighty-four important cases were pending trial, in favor of his political henchmen, was an outrageous act (absolutely indefensible when viewed from any other standpoint than that of a professional politician), and well merited the severe condemnation it received in the columns of the press, and from business and insurance interests.

The important pending litigation should have been considered by at least the retention of one or two of the deputies that were familiar with the cases now in court, and the companies who "pay the bills" thereby accorded some slight recognition and courtesy.

TERM OF OFFICE.

The Massachusetts law provides for a five year term of office for the Marshal, the Ohio statute grants but a two year term. It is a self-evident fact, that unless the appointee is *born* for such a position, or is qualified by a previous experience in some similar office, or detective work, he cannot, in the two year term of office granted, educate and qualify himself and at the same time successfully administer the duties of the office.

Our recent experiences in Ohio indicate that any change in the Marshalship carries with it the retirement of the staff of the department, and, consequently, the term of office should not be so limited, but, if possible, extended to at least a five year term.

Marshal Hollenbeck was continued in office four years by reason of the re-election of the Governor who had appointed him, for a second term, otherwise, in all probability, he would have been ousted at the end of his first term, and as the State Fire

Marshal's office for the first two years was practically valueless other than for the moral effect the necessity for longer term of office, is apparent.

EXPENSE OF OFFICE.

It was not anticipated by the authors of this Ohio Fire Marshal law that the assessment levied on the companies for the maintenance of the department would provide such a liberal amount that a surplus would pile up in the hands of the Fire Marshal, but under Marshal Hollenbeck's economic and careful administration, that circumstance resulted.

On January 1st, 1901, the surplus on hand, over and above *all expenses* to that date, was \$26,453.31. On January 1st, 1902, the surplus was \$40,319.61. On January 1st, 1903, the surplus was \$44,933.07. On January 1st, 1904, the surplus was \$27,-940.59.

That section of the present statute providing for the transfer of any surplus to the general revenue fund of the State, is an amendment to the law promptly provided by the thoughtful (?) Legislature when (to their intense surprise) they learned a surplus existed in one of Ohio's State departments.

The present Fire Marshal, immediately on assuming charge of the office, created five new districts and increased the number of assistants from seven to twelve. In my judgment this large force of assistants is entirely unnecessary (unless for the purpose of eliminating the surplus existing) as from my investigations, and personal knowledge of the methods and operation of the office, I am satisfied that five competent assistants in addition to the Marshal, and his three deputies, can thoroughly cover the State and successfully operate the department.

From an analysis of the expense account of this office, it would appear that the cost of maintaining the department should not, under judicious management, exceed \$25,000.00 per annum, and, consequently, the assessment on the companies of over \$40,000.00 annually, makes the State Fire Marshal office a source of revenue and profit to the State.

The Massachusetts law differs from the Ohio statute in the feature of greatest interest to the insurance companies, to wit, the provision for the maintenance of the office. In Massachusetts, the expense is provided for by annual appropriations by the State, in Ohio, by direct tax of one-half of one per cent on the gross premiums of the companies. This latter method is discriminating and unjust, placing as it does, the whole burden of supporting a State office for the prosecution of crimes against the *whole public*, upon a limited portion of that public. It is *special taxation*, and for that reason, and the further fact of the *extraordinary judicial powers* granted the Marshal, the statute, in the

opinion of prominent legal authorities, is clearly an unconstitutional measure. If, as it has been stated, Fire Marshal laws patterned after the Ohio statute, and incorporating this extra tax feature, are proposed, or are now pending in other western States, these opinions appear to point the way for the checking or defeat of such measures. The companies are already overburdened with excessive taxation, license fees, and charges, and with the probability of political conditions similar to those in Ohio surrounding such offices, it is high time a halt is called on the establishment of such State departments *at the expense of the insurance companies*.

It will become a matter of some moment to company managements if all, or a number, of the western States, increase the expense of doing business one-half of one per cent at a time when the cry from all quarters is for a reduction of the expense ratio.

To those of you that have jurisdiction in States where such State Fire Marshal laws are proposed, I commend to your attention the Massachusetts law, with particular reference to the provisions for maintenance of the department and the Marshal's term of office, and I suggest the influence of your general, state and local organizations be directed against the enactment of such legislation where it is sought to place the burden of the maintenance of such offices upon the already over-taxed companies. By the influences you can bring, through your organizations, such measures can be properly amended, or defeated. That the insurance interests have the necessary influence to do this, was shown in Ohio several years ago, when a vicious license law was proposed, which sought to assess a license of \$25.00 for each agent of insurance companies doing business in that State. The influence of practically two companies alone brought through their local representatives, resulted in an overwhelming defeat of this measure, and I can see no reason why the combined influence of the companies' various organizations, if properly directed, should not grant some immunity from the restrictions and exactions of the petty politicians.

The Ohio State Fire Marshal law, under which we may look for a new incumbency every two years (or on every change of State administration) and with the expense of the office assessed upon the insurance companies, is an unjust, discriminating, objectionable statute, and under the present conditions surrounding the office with no prospect of any change in the law, the department is, in my judgment, so imperfect and ineffective, that it is not worth to the companies the money they are now required to pay to maintain it.

The Ohio Fire Marshal's office is costing the insurance companies over \$40,000.00 a year, and they are entitled to good service, and their views as to the kind and class of officials to operate the office should have some recognition; failing in both

these points, it will be to the companies' best interests that this law be abolished.

Will the managements of the companies doing business in Ohio submit to the conditions now existing, and continue to pay tribute to the "machine" at the behest of the politicians? I think not! I cannot believe they will sit supinely by with the remedy in their own hands, and allow the plunder of the companies' tills by political harpies for the maintenance of a State department that promises to be *but* for the distribution of "Pap" to hungry job hunters.

I believe the companies doing business in Ohio should join in refusing to pay the assessment levied for the maintenance of this Fire Marshal's office, or, pay same under protest, and arrange to test the constitutionality of the law. If declared unconstitutional by the courts, the companies will be relieved of the burden of the expense of a State office that promises them nothing. If held a constitutional measure (which is quite improbable) they will have lost nothing.

It has been suggested in some recent articles in the insurance press, that it would be best that we refrain from any action that might tend to change or abolish this Ohio statute, for fear that by such a movement, we might incur the enmity of the political bosses, or cause the enactment of a much worse law that would be constitutional. For the benefit of such weak knee'd brethren, I will say that we of Ohio have no such fears. We do not believe that we can incur any more enmity than now exists against the companies in that State; and as for a new measure, if the present statute is an unconstitutional one, no constitutional law can be evolved that will oblige the companies to provide for the maintenance of such a State department.

No hesitancy was shown by the companies in attacking the unjust and discriminating tax laws of Iowa and Illinois—why fear Ohio? Ohio, indeed, grants us some unique conflicting laws. The State maintains upon its statute books, a valued Policy Law, that in its effect offers a standing reward for the crime of arson, and at the same time a statute providing for a Fire Marshal, whose duty it is to apprehend for punishment any citizen that endeavors to profit by the first named vicious statute. Such abortive legislation is not only unique—it is *grotesque*.

That State Fire Marshal offices in charge of honest and capable officials, operating under proper legislative acts, and authority, are of great benefit to the people (and to the insurance business as well) admits of no doubt, but these offices are created solely in the interests of the *people*, and not for the benefit of the insurance companies, as the average legislator seems to think—the benefit to the insurance business is purely *incidental*, being entirely subordinate to the general purpose of the law. Such State offices should

be created and maintained as free from political influences as possible, for the protection of public and private property, for the safety of human life, in the interest of justice—FOR THE BENEFIT OF HUMANITY.

The President—

I wish that every politician and every legislator might have time not only to read, but to think over the excellent points made in that paper. I should like very much if we might have some discussion of this most interesting subject.

Before we begin on the other paper there is a duty which is incumbent upon your chairman. Section eleven of the by-laws provides that on the first day the President shall appoint a committee of five members, who shall nominate nine members to serve as directors, reporting their names to the Association for its consideration and election in the regular course of the meeting.

I shall appoint on that committee the following gentlemen: H. N. Kelsey, Chairman, S. E. Cate, G. C. Main, John F. Stafford, W. E. Vandeventer.

On looking into the faces of the assembled members I see some that I think in their life work have probably appreciated the great need of a technical learning of the business at the outset. The insurance business is said to be a kind of catch-all. If a man does not succeed in some other business he can succeed in the insurance business. That does not mean that some men who have been comparatively unsuccessful in other lines of business have not made the very best material for the insurance business, but the point I wish to make is that any man who has followed the business as a business realizes at times that there is great need for instruction from a technical standpoint. It is a question of technical qualification for the business.

This subject was dwelt upon to a slight extent in the annual address this morning, and we have, gentlemen, a paper to be read that further treats of that subject.

I have the pleasure of introducing to you Mr. W. H. Stevens, of Watertown, N. Y., Secretary Agricultural Insurance Company, who will now read a paper entitled: "The New Learning."

THE NEW LEARNING.

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWITERS' ASSOCIATION OF THE NORTHWEST.

A candid friend is one of the choicest blessings a beneficent Providence showers on us during our brief probation here. I count myself happy in the possession of such a monitor, whose delight in his power to minister to edification is not diminished by

the sight of one's agony under his discipline. While for a livelihood he is ostensibly engaged in some slight manufacturing operations, his heart enjoys its deepest thrills only when the legislative halls at Albany echo to his eloquence. That this latter occupation produces more excitement than emolument is evidenced by a recent suggestion from him that if I would "get him a job" in the insurance business he would guarantee we would never again be called to Albany to "see the committee" about his Valued-Policy—Anti-Compact—Anti-Coinurance — and — Five-Per-Cent-Gross-Premium-Tax Measure. "But," said I, "you don't know anything about the insurance business. You couldn't earn a shipping clerk's salary."

"Don't I?" said he, "and couldn't I? What ice does that cut? You don't mean to say yours is a business that needs any special education?"

"Surely I do," said I, "very special training."

"Well," said he, "I think you're right. It does *need* it, but so far I've observed, it doesn't get it. I know a lot of agents; and a few blotters seems to be the real *sine qua non*. I know some of your inspectors, and they—well, they're dandy dressers; and as for your officers, you might just as well be book-makers; there is hardly one in the whole bunch that ever showed his face in Albany who claimed he was expert enough to make a trade profit and who didn't depend on the ticker for his dividends."

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These are familiar facts to you, but from them we have, I fear, been drawing wrong conclusions. We have cast the blame on the bucolic or the burglarious legislator; on the iniquities of the incendiary policy-holder; on the times because they are too good;

on the times because they are too bad; on the agent because he is too greedy or too indifferent; on electricity; on gasoline; on the tramp, and on the rat! They have all had a hand in the precious business, but I am veering slowly around to the conclusion that in the last analysis the trouble with the business is the ignorance of the manager and his staff.

What an intricate business is ours! Touching, as it does, every material interest in the whole world, what a universal genius a man must be to handle it aright! There is scarcely a department of commerce or manufacture, or of domestic, scientific or religious activity, with which he does not come in intimate contact and which does not confront him with some sort of problem.

From another point of view, we may say that there is not one of these interests that does not impose some obligation upon him of helpfullness and guidance, not one to which he cannot guarantee greater permanence, if he has considered his career and his calling seriously enough, and if he has adequately equipped himself by experiment, observation, study and reflection. Nevertheless it is only the most recent of the developments of the business that special training—that is, special technical training—has been deemed essential or has been encouraged and rewarded. Long and tedious courses are prescribed for lines of activity not one whit more technical or different than ours. Underwriters have, however, been expected to develop from bright office-boys or successful solicitors, with the aid of such a veneer of technical knowledge as a few weeks' experience can give. Questions of aptitude, of natural gifts, of temperament, are sometimes ignored as well, but often are relied upon to supply deficiencies in education. The conviction seems at last to be slowly mastering the minds of the fraternity that this is error and that it takes years of schooling to make an underwriter, and that it is a tremendous advantage to have as a sub-stratum a knowledge of mathematics and natural science and a brain disciplined by exercises in abstract thinking.

Though gratitude may be defined as a lively expectation of favors to come, this is a pretty wise old world; it knows what it wants, it recognizes and rewards its real benefactors with considerable discrimination. Among the followers of most lines of endeavor there are men and women whose names are household words, whose fame is international and is as great outside as inside the ranks of their confreres, because of their accomplishment, their uplift, their new principles or their new methods. Those who dedicate their activities to a profession, to commerce, to finance, to manufacture, have always before them examples in their own ranks of this sort of fame and the hope of this sort of achievement. But where are our great ones? In all the long list of insurance managers that have come and gone or that are now

in being, how many can be found, the naming of whose names awakens smiles of recognition or admiration or gratitude outside the very narrow ranks of our own small coterie? What is the matter with us? Why are we so seldom named and why are we so generally ignored—or held up to anonymous execration?

The interests within our control are of tremendous significance. Measured by the coin of the realm, fire insurance is inferior to few. The field is surely great enough for the exercise of fine powers; to enlist the services of the very best. If the average of our talent employed is, as it would seem, only mediocre and we must look mainly to other departments of human activity for souls with true largeness of vision, then we must have failed to have given it the dignity commensurate with its importance; we must have impressed the world at large (and the world as a whole cannot be kept off the right track long) with the idea that our business is, despite its size, a cheap affair, without field for the exercise of the highest powers.

Yes, we have failed to "magnify our office"; we have given quite too much warrant for the charge that the business is a refuge for the failures of other business. Beginning with the agent who is turned loose upon a confiding public with an ignorance of his business quite abysmal and who finally learns it, if he learns it at all, at tremendous cost to both principal and client; continuing to the field man, who at the outset of his career, with the slenderest preparation, reminds us of the old Spanish proverb that "Barbers learn to shave on the chin of a fool," and finishing our scrutiny with the manager, who may be only a translated accountant or financier—what more shall I say?

There are managers who hold their position by virtue of a warm hand, a comprehensive smile and an insinuating tongue. There are managers who hold their position by virtue of a truculent frown. There are managers who hold their position because the directorate lack the courage to make a change. There are managers who must be managers for some such reason as the father gave his son for the existence of kangaroos: "The Australians must have something to laugh at." And finally there are a few distinguished managers who hold their position because they know about all that it is possible for one man to know in the present stage of the underwriting science; and it is by this remnant that we are saved. On the backs of these men the rest of us, who escape a fall, ride to safety and success. How we got into our positions and why we are allowed to stay is one of the unfathomable mysteries of being. Possibly it may be accounted for on some such principle as, in the pious child's mind, accounted for the remarkable prolificness of the domestic felines: "God says, 'let there be cats,' and there are cats!" Directors issue the fiat, and behold the manager springs into being, fully panoplied,

like Minerva from the brain of Jove. I am speaking now of those officers who are directly responsible for underwriting, not of that other class whose work is the care of investments and in the broad field of general control.

I once asked the president of one of our largest and most successful companies his opinion of a certain schedule and form. "Why, bless your heart," said he, "I don't know anything about the insurance business. All I have to do with it is to tell Mr. Jones that it's a damn shame a company as big as ours doesn't do more business!" Happily for his company, there was a man who knew his limitations, and, because he did, successfully conducted his company through periods of stress that would doubtless have wrecked it, had he usurped the province of the man who did know something about fire underwriting, or had the merely technical underwriter been deprived of his large view. There are vital matters in the career of any company which are not met by technical, but by general business training and commercial or professional acumen; there must always be men for this department. I would be the last to combat that proposition or to deny the obligations underwriters owe to their unscientific associates. But a crew of captains cannot take a liner to port in safety; the engineer is quite as indispensable as the man who strides the quarter-deck. Barring the possession of proved genius for affairs and the temper to leave to trained subordinates the features of our business which differentiate it from any one of the other manifold pursuits of men, the manager should be the peer of any of his subordinates in knowledge of details and in grasp of the principles of underwriting. At least no situation can be considered ideal in which the man upon whom underwriting responsibilities fall calls constantly for instruction and guidance upon those whom it is his duty to lead.

This arraignment of my own class doubtless meets with a warm reception in the hearts of such of my auditors as still have their headquarters in the saddle. But perhaps even they may ask, on what theory is such a line of thought supposed to be timely? Why rehearse before us, who already know them, all too well, the weaknesses of our superintendents?

I dwell on this thought because out of your ranks should come the successors of those who now occupy the thrones, and because I would appeal to you to fit yourselves to rule with more wisdom than you are now ruled with. I think I can see the passing of the old time manager close at hand. In a variety of directions, evidences appear that the insurance world is awaking to the seriousness of its work and to the necessity for scholarship as well as common sense and business judgment in its affairs. I fear there is a disposition, however, among the older and more experienced field men, who have gained their knowledge by hard knocks and,

so to speak, shop-work, to minimize the value of technical training and specialization. It is not uncommon to hear some student of hazards or construction or protection lightly spoken of as "too theoretical." "Life is too short to refine to that extent. What's the use of going into all that? We must write the risks anyway. The rate pays for all these defects." It is easy to condemn as academic and doctrinaire, any essay beyond our depth or which requires more than a casual reading for its comprehension. Doubtless there are investigators who get lost in a web of refinements and never reach ground solid enough to bear the weight of a decision. An intelligent fool is the biggest fool, after all. But, for one, I take off my hat to the real student, whether he hails from the academy or the road.

I do not recall any failures due to excess of knowledge — barring, of course, matrimonial infelicities. If a practical mind with a practical training is a suitable tool, how is it injured by the acquisition of facts and by the discipline of the schools? That young special who told me a few years ago that he preferred the dry-pipe sprinkler system to the wet because the gases liberated to extinguish the fire did less damage to stocks than water, is probably better informed now and none the worse for his better technical knowledge.

Education is dynamic. Habits of concentration, of accuracy, and of reluctant and cautious generalizations, are no mean advantages, and they are most often found among men of studious lives. Fellowship with the world's thinkers and practice in their methods of thought will never be a handicap in any legitimate enterprise. It is true, they have not been appreciated by the insurance world in the past. But their day is beginning to dawn and the sun of the impromptu underwriter is burning its way slowly toward the western horizon.

I trust I may not be misunderstood when I say that the field man has abundant leisure and opportunity for the pursuit of technical knowledge. If I would seem to hint that the special agent's position is a velvety sinecure, that his feet tread only the primrose paths of dalliance, let me hasten to remove the impression. No such thought is in my mind. But I know from personal experience that there are many hours of enforced and tedious idleness, more irksome than toil, which might be enlightened and enriched by judicious study. Habit and taste go hand in hand, or one precedes the other indifferently. The taste for honest study seems a natural gift and creates the habit. But I am convinced that an enforced habit will in time produce the concomitant taste. Some years ago I found a Boston field man sipping a high-ball and reading Gibbon in the hotel cafe! But that was Boston, mind you; I would not look for it elsewhere. However, it was a suggestive sight, for the temptations of the life on the road,

especially in the way of waste of leisure, are not to be ignored and have many victims among our own people. Life would be intolerable without some bridge and pool, or the things they stand for, but they can hardly be considered the finalities of life or even quite worthy to absorb every disengaged hour or to encroach on the hours of sleep. Unless one has indulged in recreations with due discrimination, he cannot excuse ignorance as the result of lack of opportunity.

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To achieve an accurate and inclusive knowledge of mathematics, natural science and mechanics, in the odd moments which come in the way of wage-earners like ourselves, is hardly possible. To the ordinary mind nothing quite takes the place of skillful instructors, the laboratory and the shop. But the world is too full of the examples of successful self-education to make the denial of

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Mr. William Fulton—

Mr. Chairman, I wish to suggest a rising vote of thanks for this paper that has interested me greatly, and I hope the vote will be given with a hearty goodwill.

The motion was seconded, and a rising vote of thanks was tendered Mr. Stevens.

A recess was then taken until Thursday morning at 9:30 A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 29, 1904.

The President called the Association to order about ten o'clock.

The report of the committee on the President's address was presented by Mr. Baker, the chairman of the committee, as follows:

Your Committee, to whom was referred the President's address, beg leave to report as follows:

The masterly manner in which your President has brought before you a resume of the events transpiring during the life of this Association will add much to the literature of former addresses of this kind, and his review of the events occurring during the past year are highly to be commended.

That part of the address which refers to Wild Cat Insurance Companies is to be highly praised, and will serve as a notice to all concerns of this class that they do not belong to the legitimate fire insurance world.

That part of the President's address referring to the Library does not need any special reference from the fact that this matter has already been placed in the hands of a special Library committee. It is sincerely to be hoped that an insurance library, second to none of its kind, will soon be so installed that all fire underwriters may have full access to its valuable records.

Respectfully submitted,

THOMAS BAKER, JR.,
CARROLL H. DEWITT,
CHARLES RICHARDSON,
B. T. DUFFEY,
D. J. MATTISON,
Committee.

On motion duly seconded the report was adopted.

The President—

Gentlemen of the Association: It is a pleasure to insure people to meet public officials who are always ready and willing to do their duty. We occasionally find men who use their office as a means of oppression, or in other words, an emolument to themselves in conducting a public business, but it is a very great pleasure to meet with an official who will study ways and means for the application of laws that will work no hardship upon others, especially upon the great interests of underwriting.

Such an official have we in the person of Mr. James V. Barry, Insurance Commissioner for the State of Michigan, who will now address us upon the subject of "Underwriting from a Supervisor's Standpoint; Supervision from an Underwriters' Standpoint."

Mr. James V. Barry—

GENTLEMEN:—

I feel as did the lamented Henry W. Grady when he rose to address the New England Society of New York, that I should first make acknowledgement of the courtesy by which I am permitted to be present. I make this rather abrupt acknowledgement advisedly, for I feel as did he that if, when I raise my voice in this presence, I could find courage for no more than the opening sentence, it were well if in that sentence I had met, in a rough sense, my obligations as a guest and had perished, so to speak, with courtesy on my lips and grace in my heart.

Although keenly appreciating the honor that is mine because of the courtesy of being bidden to participate in this meeting, I confess I am here somewhat by coercion, my hesitancy in putting in an appearance being wholly due to the fact that I have neither experience nor the ability to warrant the assumption that I could either interest or instruct you regarding the business which you have to do and which you all so thoroughly understand.

In justice to myself I think I ought to explain that an enthusiastic friend whom I met in traveling, secured for me an invitation to attend your last annual meeting. I was enabled to extract all possible honor from that invitation and still escape liability because of the fact that your meeting and that of the National Association of Insurance Commissioners occurred at the same time, and it was necessary for me to attend the latter. Instead of offering up devoted thanks for that providential deliverance, your Executive Committee renewed the invitation, or rather, returned to the attack this year. I sought the same avenue of escape only to find that President Friedley had barred it by an arrangement with the Executive Committee whereby the meetings were to be held in successive weeks. Being thus

deprived of my stock excuse, I resorted to all manner of expedients, but to no avail. All my demands were promptly met. In fact, my experience called forcibly to mind the farmer with whom a family from the city once spent the summer. Just before the opening of the following season, the gentleman from the city wrote the farmer saying he would be glad to entertain a proposition to spend another summer with him if it were not for two things: First, that the hired girl was exceedingly impudent, and second, that the pigs were kept in a pen located altogether too close to the house. In due time the city man received a letter from the farmer which read thus: "Don't stay away on them accounts; Mary Ann has went and we aint had a hog on the place since you left." (Laughter).

The circumstances attending my appearance here put me quite in mind of the man who was dragged before the magistrate for too frequent gazing upon the cup which not only cheers but also inebriates. "Didn't I tell you when you came here the last time," said the justice, "that I never wanted to see you again?" "Sure, Mike," was the response, "but I couldn't make the policeman believe it." (Laughter).

That was exactly my experience with your President. Try as I might, I couldn't persuade him that I was utterly incapable of preparing an address worthy of this magnificent audience. So by way of vindicating my reputation for truth and veracity, I am here in sheer defense to prove my assertion. When I read the names of the distinguished gentlemen who are to follow me upon the program, I felt that I ought to succeed, being like a young lawyer who encountered a friend on Wall Street. "What are you doing here?" asked the friend. "Oh, simply trying to earn an honest dollar," was the reply. "Well," he said, "you ought to succeed for you won't find a competitor in this place." (Laughter).

While I am in no sense a speechmaker, there can be no doubt that after an experience of three years as a supervising official, I know all there is to be known about that branch of the business, and am equipped to instruct all in the arts and ceremonies pertaining to it. That there will be no doubt in your minds that I am qualified to intelligently discuss the topic from the standpoint of the underwriter I am sure, when I remark that for several consecutive months I was the silent and inactive partner in a local agency that paid no dividends although equipped with names enough to furnish endorsement for all the paper that was wanted in most of the banks in our section of the State.

After concluding to discuss this topic from the standpoint, not only of the underwriter but of a supervisor, it occurred to me that I might lengthen out my topic to respectable proportions by throwing in a few observations warranted by my experience of

fifteen years as a newspaper correspondent. However, I decided that by so doing I would invade the preserves of my much esteemed and most considerate friends of the insurance press, and so will leave that branch of the subject to their intelligent presentation.

Your President insisted that this was work in which every one must take a hand regardless of his equipment, mentally or otherwise, if success is to crown our efforts. It reminded me of a lumber boss, a friend of mine, who lived in the lumber district of Michigan. He called to his men one morning in his firm and unyielding voice, saying: "All you fellows with long rubber boots line up here!" And the men with the boots lined up. "Now, you men with the boots jump in the river and hustle the logs!" Then turning to the balance of the crew, he said: "Now, you fellows without the boots jump in and help them!" And so at the command of your President who insisted that all of the faithful must get out and push whenever so ordered, I am here without either boots or ideas, to aid my more fortunate brothers the little that I am able, and for fear that some of the gentlemen who will follow me may possibly get the idea that I will invade their territory, I want to say that I have no such thought, and am like the little girl whose Sunday school teacher said: "Marion, can't you sing 'I want to be an angel', with the rest of the children?" "No," replied the child, "I have enough trouble learning to play the piano without monkeying with the harp." Like the Vice-President of the Michigan Fire and Marine, that prince of baseball cranks, "I am having all I can do to cover my own base without invading the territory of the other players."

Under the circumstances, the best I can do is to emulate the example of the dealer to whom a customer complained of some butter he had sent him. "Yes," said the patient dealer, "I discovered that the butter was pretty rank before I sent it up to the house, so I did the best I could under the circumstances; I ordered the clerk to give you short weight." That shall be my purpose; I shall give you exceedingly short weight, and leave the heavy weight pabalum to be furnished by the distinguished gentlemen who know how to rise to an occasion of this nature.

UNDERWRITING FROM A SUPERVISOR'S STANDPOINT; SUPERVISION FROM AN UNDER- WRITER'S STANDPOINT.

Insurance has been very properly and tersely declared to be the "equitable distribution of misfortune."

When it is considered that the annual fire waste in this country alone, under normal conditions, amounts to \$130,000,000, and that from time to time, the country is appalled by conflagrations

such as those which laid waste great sections of the cities of Baltimore, Rochester and Toronto during the present year, we are brought to a most vivid realization of the fact that if these misfortunes and calamities could not be equitably distributed so that all could bear their share without being crushed by the burden, the results of even the normal fire waste would bring instability to all commercial enterprise and untold misery to thousands of our fellow citizens, while the results to the stricken community of a conflagration would be utterly appalling.

Without the beneficent aid of insurance the loss to commerce, although tremendous, would be small when compared with the wretchedness and distress which would destroy the ambitions and hopes of men and thus deprive the world of their energies and of the fruits of their genius.

The simple property loss involved in the destruction by fire of a man's home or business could be contemplated with reasonable equanimity, but the taking from his soul all hope and ambition, leaving in its place naught but rebellion and despair would be an irreparable loss to mankind.

He who helps mankind to bear calamity without despair and misfortune without rebellion is as surely doing the work of his Master as the priest who wages the battle with sin.

The commercial world has long since come to recognize the fact that the stability of business enterprise is based upon insurance.

That man is gambling with fate who fails to protect his business against destruction by fire.

A man's property may disappear mid flame and smoke in the night, but in the sunlight of the morning we behold him emerging from the smoke and heat, already conquering disaster and defeat, as he waves aloft his policies of insurance, and cries out with a voice heard even above the shrill notes of triumph of the fabled Phoenix, demanding blank proofs of loss.

The distributions of the burdens of misfortune can be successfully accomplished only through the collection of funds sufficient to meet not only the ordinary, yet stupendous fire waste, but also of an accumulation adequate for the greatest possible conflagration.

The premium tax is the only method by which these funds can be collected, and this tax should be recognized as necessary by both the underwriter and the insured.

There is an imperative duty upon the insuring public and the underwriter to treat this premium tax fairly and intelligently. The insurer should realize that adequate protection demands the payment of an adequate premium, and that an adequate premium must provide for creating and maintaining a substantial surplus.

so to speak, shop-work, to minimize the value of technical training and specialization. It is not uncommon to hear some student of hazards or construction or protection lightly spoken of as "too theoretical." "Life is too short to refine to that extent. What's the use of going into all that? We must write the risks anyway. The rate pays for all these defects." It is easy to condemn as academic and doctrinaire, any essay beyond our depth or which requires more than a casual reading for its comprehension. Doubtless there are investigators who get lost in a web of refinements and never reach ground solid enough to bear the weight of a decision. An intelligent fool is the biggest fool, after all. But, for one, I take off my hat to the real student, whether he hails from the academy or the road.

I do not recall any failures due to excess of knowledge — barring, of course, matrimonial infelicities. If a practical mind with a practical training is a suitable tool, how is it injured by the acquisition of facts and by the discipline of the schools? That young special who told me a few years ago that he preferred the dry-pipe sprinkler system to the wet because the gases liberated to extinguish the fire did less damage to stocks than water, is probably better informed now and none the worse for his better technical knowledge.

Education is dynamic. Habits of concentration, of accuracy, and of reluctant and cautious generalizations, are no mean advantages, and they are most often found among men of studious lives. Fellowship with the world's thinkers and practice in their methods of thought will never be a handicap in any legitimate enterprise. It is true, they have not been appreciated by the insurance world in the past. But their day is beginning to dawn and the sun of the impromptu underwriter is burning its way slowly toward the western horizon.

I trust I may not be misunderstood when I say that the field man has abundant leisure and opportunity for the pursuit of technical knowledge. If I would seem to hint that the special agent's position is a velvety sinecure, that his feet tread only the primrose paths of dalliance, let me hasten to remove the impression: No such thought is in my mind. But I know from personal experience that there are many hours of enforced and tedious idleness, more irksome than toil, which might be enlightened and enriched by judicious study. Habit and taste go hand in hand, or one precedes the other indifferently. The taste for honest study seems a natural gift and creates the habit. But I am convinced that an enforced habit will in time produce the concomitant taste. Some years ago I found a Boston field man sipping a high-ball and reading Gibbon in the hotel cafe! But that was Boston, mind you; I would not look for it elsewhere. However, it was a suggestive sight, for the temptations of the life on the road,

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Again I find it wise to forfend possible misconstruction by hastening to say that a more zealous and methodical study of insurance problems is not urged on the theory that companies fail of getting their money's worth from the services of their field men. That is quite beside the mark at which I am aiming. It would be the height of impertinence, both to you and to your companies, to presume to such arrogance. My motive is, I trust, more disinterested and amiable, and my appeal, so far as it is practical, is to an enlightened self-interest, directed with most marked emphasis to the younger special agents. They have ambitions, both for fame and for competencies. If they have carefully reviewed what life offers them and consider these two things best worth while, the road to them lies, I feel confident, through the pursuit and development of fire underwriting as a science capable of greater exactness than it has ever yet attained. Skillful preparation will more and more eliminate the element of chance. The guesser, who needs the opportunity to guess two or three times and changes his guess with every change of the wind, will not always be considered an eligible party for managerial chairs. Your experience lies along underwriting lines and it must be along those lines, if any, that success will come to you. If companies want financial managers they will scarcely look to undergraduates in the field for such talent. Such managers come from other walks in life. Underwriting managers, or no managers at all, you must be. As you desire the honors, the comforts and the rewards of higher position, let me direct your attention to this road to them which I have been describing. If you think the game is not worth the powder, well and good, I will not quarrel with your decision. If the game does look toothsome, I think I have shown you the surest way to bag it. The law of evolution has, fortunately, not been avoided by fire insurance. The door to the future is not to be opened by the rusted key of the past.

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Mr. William Fulton—

Mr. Chairman, I wish to suggest a rising vote of thanks for this paper that has interested me greatly, and I hope the vote will be given with a hearty goodwill.

The motion was seconded, and a rising vote of thanks was tendered Mr. Stevens.

A recess was then taken until Thursday morning at 9:30 A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 29, 1904.

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The report of the committee on the President's address was presented by Mr. Baker, the chairman of the committee, as follows:

Your Committee, to whom was referred the President's address, beg leave to report as follows:

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Respectfully submitted,

THOMAS BAKER, JR.,
CARROLL H. DEWITT,
CHARLES RICHARDSON,
B. T. DUFFEY,
D. J. MATTISON,
Committee.

the sight of one's agony under his discipline. While for a livelihood he is ostensibly engaged in some slight manufacturing operations, his heart enjoys its deepest thrills only when the legislative halls at Albany echo to his eloquence. That this latter occupation produces more excitement than emolument is evidenced by a recent suggestion from him that if I would "get him a job" in the insurance business he would guarantee we would never again be called to Albany to "see the committee" about his Valued-Policy—Anti-Compact—Anti-Coinurance — and — Five-Per-Cent-Gross-Premium-Tax Measure. "But," said I, "you don't know anything about the insurance business. You couldn't earn a shipping clerk's salary."

"Don't I?" said he, "and couldn't I? What ice does that cut? You don't mean to say yours is a business that needs any special education?"

"Surely I do," said I, "very special training."

"Well," said he, "I think you're right. It does *need* it, but so far I've observed, it doesn't get it. I know a lot of agents; and a few blotters seems to be the real *sine qua non*. I know some of your inspectors, and they—well, they're dandy dressers; and as for your officers, you might just as well be book-makers; there is hardly one in the whole bunch that ever showed his face in Albany who claimed he was expert enough to make a trade profit and who didn't depend on the ticker for his dividends."

While my friend, for all the help he will receive from me, will continue to eke out a meagre existance with the assistance of legislative measures to bleed the various octopi within his reach, he did set me a-thinking, and here you have the product.

Something must be wrong with fire insurance. Decade after decade passes and no substantial results accrue to the stockholder, save such as may be secured by the clever manipulation of securities. Subject, as the business is, to sudden and overwhelming calamity, the capital, if invested in the least speculative securities easily earning over four per cent, is entitled, when exposed to the hazards of our business, to at least as handsome a return as the capital of the merchant or manufacturer or banker. But it looks and waits in vain for any such result. The institution whose origin dates back a generation or so and which has, by slow accretions, accumulated reserves in excess of its captialization, does now, it is true, pay handsome dividend rates, but not from its trade profit. He would be an audacious underwriter who would to-day launch a new company for other than eleemosynary reasons.

These are familiar facts to you, but from them we have, I fear, been drawing wrong conclusions. We have cast the blame on the bucolic or the burglarious legislator; on the iniquities of the incendiary policy-holder; on the times because they are too good;

on the times because they are too bad; on the agent because he is too greedy or too indifferent; on electricity; on gasoline; on the tramp, and on the rat! They have all had a hand in the precious business, but I am veering slowly around to the conclusion that in the last analysis the trouble with the business is the ignorance of the manager and his staff.

What an intricate business is ours! Touching, as it does, every material interest in the whole world, what a universal genius a man must be to handle it aright! There is scarcely a department of commerce or manufacture, or of domestic, scientific or religious activity, with which he does not come in intimate contact and which does not confront him with some sort of problem.

From another point of view, we may say that there is not one of these interests that does not impose some obligation upon him of helpfullness and guidance, not one to which he cannot guarantee greater permanence, if he has considered his career and his calling seriously enough, and if he has adequately equipped himself by experiment, observation, study and reflection. Nevertheless it is only the most recent of the developments of the business that special training—that is, special technical training—has been deemed essential or has been encouraged and rewarded. Long and tedious courses are prescribed for lines of activity not one whit more technical or different than ours. Underwriters have, however, been expected to develop from bright office-boys or successful solicitors, with the aid of such a veneer of technical knowledge as a few weeks' experience can give. Questions of aptitude, of natural gifts, of temperament, are sometimes ignored as well, but often are relied upon to supply deficiencies in education. The conviction seems at last to be slowly mastering the minds of the fraternity that this is error and that it takes years of schooling to make an underwriter, and that it is a tremendous advantage to have as a sub-stratum a knowledge of mathematics and natural science and a brain disciplined by exercises in abstract thinking.

Though gratitude may be defined as a lively expectation of favors to come, this is a pretty wise old world; it knows what it wants, it recognizes and rewards its real benefactors with considerable discrimination. Among the followers of most lines of endeavor there are men and women whose names are household words, whose fame is international and is as great outside as inside the ranks of their confreres, because of their accomplishment, their uplift, their new principles or their new methods. Those who dedicate their activities to a profession, to commerce, to finance, to manufacture, have always before them examples in their own ranks of this sort of fame and the hope of this sort of achievement. But where are our great ones? In all the long list of insurance managers that have come and gone or that are now

in being, how many can be found, the naming of whose names awakens smiles of recognition or admiration or gratitude outside the very narrow ranks of our own small coterie? What is the matter with us? Why are we so seldom named and why are we so generally ignored—or held up to anonymous execration?

The interests within our control are of tremendous significance. Measured by the coin of the realm, fire insurance is inferior to few. The field is surely great enough for the exercise of fine powers; to enlist the services of the very best. If the average of our talent employed is, as it would seem, only mediocre and we must look mainly to other departments of human activity for souls with true largeness of vision, then we must have failed to have given it the dignity commensurate with its importance; we must have impressed the world at large (and the world as a whole cannot be kept off the right track long) with the idea that our business is, despite its size, a cheap affair, without field for the exercise of the highest powers.

Yes, we have failed to "magnify our office"; we have given quite too much warrant for the charge that the business is a refuge for the failures of other business. Beginning with the agent who is turned loose upon a confiding public with an ignorance of his business quite abysmal and who finally learns it, if he learns it at all, at tremendous cost to both principal and client; continuing to the field man, who at the outset of his career, with the slenderest preparation, reminds us of the old Spanish proverb that "Barbers learn to shave on the chin of a fool," and finishing our scrutiny with the manager, who may be only a translated accountant or financier—what more shall I say?

There are managers who hold their position by virtue of a warm hand, a comprehensive smile and an insinuating tongue. There are managers who hold their position by virtue of a truculent frown. There are managers who hold their position because the directorate lack the courage to make a change. There are managers who must be managers for some such reason as the father gave his son for the existence of kangaroos: "The Australians must have something to laugh at." And finally there are a few distinguished managers who hold their position because they know about all that it is possible for one man to know in the present stage of the underwriting science; and it is by this remnant that we are saved. On the backs of these men the rest of us, who escape a fall, ride to safety and success. How we got into our positions and why we are allowed to stay is one of the unfathomable mysteries of being. Possibly it may be accounted for on some such principle as, in the pious child's mind, accounted for the remarkable prolificness of the domestic felines: "God says, 'let there be cats,' and there are cats!" Directors issue the fiat, and behold the manager springs into being, fully panoplied,

like Minerva from the brain of Jove. I am speaking now of those officers who are directly responsible for underwriting, not of that other class whose work is the care of investments and in the broad field of general control.

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This arraignment of my own class doubtless meets with a warm reception in the hearts of such of my auditors as still have their headquarters in the saddle. But perhaps even they may ask, on what theory is such a line of thought supposed to be timely? Why rehearse before us, who already know them, all too well, the weaknesses of our superintendents?

I dwell on this thought because out of your ranks should come the successors of those who now occupy the thrones, and because I would appeal to you to fit yourselves to rule with more wisdom than you are now ruled with. I think I can see the passing of the old time manager close at hand. In a variety of directions, evidences appear that the insurance world is awaking to the seriousness of its work and to the necessity for scholarship as well as common sense and business judgment in its affairs. I fear there is a disposition, however, among the older and more experienced field men, who have gained their knowledge by hard knocks and,

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Education is dynamic. Habits of concentration, of accuracy, and of reluctant and cautious generalizations, are no mean advantages, and they are most often found among men of studious lives. Fellowship with the world's thinkers and practice in their methods of thought will never be a handicap in any legitimate enterprise. It is true, they have not been appreciated by the insurance world in the past. But their day is beginning to dawn and the sun of the impromptu underwriter is burning its way slowly toward the western horizon.

I trust I may not be misunderstood when I say that the field man has abundant leisure and opportunity for the pursuit of technical knowledge. If I would seem to hint that the special agent's position is a velvety sinecure, that his feet tread only the primrose paths of dalliance, let me hasten to remove the impression. No such thought is in my mind. But I know from personal experience that there are many hours of enforced and tedious idleness, more irksome than toil, which might be enlightened and enriched by judicious study. Habit and taste go hand in hand, or one precedes the other indifferently. The taste for honest study seems a natural gift and creates the habit. But I am convinced that an enforced habit will in time produce the concomitant taste. Some years ago I found a Boston field man sipping a high-ball and reading Gibbon in the hotel cafe! But that was Boston, mind you; I would not look for it elsewhere. However, it was a suggestive sight, for the temptations of the life on the road,

especially in the way of waste of leisure, are not to be ignored and have many victims among our own people. Life would be intolerable without some bridge and pool, or the things they stand for, but they can hardly be considered the finalities of life or even quite worthy to absorb every disengaged hour or to encroach on the hours of sleep. Unless one has indulged in recreations with due discrimination, he cannot excuse ignorance as the result of lack of opportunity.

Again I find it wise to forfend possible misconstruction by hastening to say that a more zealous and methodical study of insurance problems is not urged on the theory that companies fail of getting their money's worth from the services of their field men. That is quite beside the mark at which I am aiming. It would be the height of impertinence, both to you and to your companies, to presume to such arrogance. My motive is, I trust, more disinterested and amiable, and my appeal, so far as it is practical, is to an enlightened self-interest, directed with most marked emphasis to the younger special agents. They have ambitions, both for fame and for competencies. If they have carefully reviewed what life offers them and consider these two things best worth while, the road to them lies, I feel confident, through the pursuit and development of fire underwriting as a science capable of greater exactness than it has ever yet attained. Skillful preparation will more and more eliminate the element of chance. The guesser, who needs the opportunity to guess two or three times and changes his guess with every change of the wind, will not always be considered an eligible party for managerial chairs. Your experience lies along underwriting lines and it must be along those lines, if any, that success will come to you. If companies want financial managers they will scarcely look to undergraduates in the field for such talent. Such managers come from other walks in life. Underwriting managers, or no managers at all, you must be. As you desire the honors, the comforts and the rewards of higher position, let me direct your attention to this road to them which I have been describing. If you think the game is not worth the powder, well and good, I will not quarrel with your decision. If the game does look toothsome, I think I have shown you the surest way to bag it. The law of evolution has, fortunately, not been avoided by fire insurance. The door to the future is not to be opened by the rusted key of the past.

To achieve an accurate and inclusive knowledge of mathematics, natural science and mechanics, in the odd moments which come in the way of wage-earners like ourselves, is hardly possible. To the ordinary mind nothing quite takes the place of skillful instructors, the laboratory and the shop. But the world is too full of the examples of successful self-education to make the denial of

its possibility a debatable position. If you have eyes to see and ears to hear, a mind to grasp and a memory to retain, it will be hard to set a limit to the volume of your acquisition. It is folly to deny the value of the art of printing. The world has much to forgive it in the daily and especially the Sunday paper, and mere reading, without reflection or regard to subject or style, is only a disguised dissipation. But there are books that reflect life, and to ignore them would be to leave us distinctly poorer. Happily, there is no longer a dearth of scientific literature based on the needs of our business. There is a rapidly growing school of experimenters and writers answering to felt and expressed needs. It is, I grant you, no holiday task for us who are without the advantages of their scholastic training, always to follow their steps; but their conclusions are usually clear and practical. To turn one's back on all this literature and to assume to be worthy the highest rewards without benefiting by it implies the taking of the thirty-third degree in intellectual arrogance.

If my thesis that the troubles of our business are due to our ignorance of it falls to the ground, then all that I have written is as sounding brass. But I challenge you to instance one of our afflictions which is not due to someone's ignorance and which might not have been avoided by a larger knowledge. If we all knew the defects of construction and protection, conflagrations would lose their terror, for they would be paid for in advance. If we knew what the fire cost of each class was and fixed our rates accordingly, rate wars would be as rare as a trade profit is now. If we knew what were the real hazards of risks, how they could be eliminated or controlled, schedules would not be changed with every change of the moon. A rate made in March might still stand firm under an August sun. We cannot justify ourselves to the public when the vagaries of our course show a 'prentice hand at the wheel and bewildered commander on the bridge,

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Mr. William Fulton—

Mr. Chairman, I wish to suggest a rising vote of thanks for this paper that has interested me greatly, and I hope the vote will be given with a hearty goodwill.

The motion was seconded, and a rising vote of thanks was tendered Mr. Stevens.

A recess was then taken until Thursday morning at 9:30 A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 29, 1904.

The President called the Association to order about ten o'clock.

The report of the committee on the President's address was presented by Mr. Baker, the chairman of the committee, as follows:

Your Committee, to whom was referred the President's address, beg leave to report as follows:

The masterly manner in which your President has brought before you a resume of the events transpiring during the life of this Association will add much to the literature of former addresses of this kind, and his review of the events occurring during the past year are highly to be commended.

That part of the address which refers to Wild Cat Insurance Companies is to be highly praised, and will serve as a notice to all concerns of this class that they do not belong to the legitimate fire insurance world.

That part of the President's address referring to the Library does not need any special reference from the fact that this matter has already been placed in the hands of a special Library committee. It is sincerely to be hoped that an insurance library, second to none of its kind, will soon be so installed that all fire underwriters may have full access to its valuable records.

Respectfully submitted,

THOMAS BAKER, JR.,
CARROLL H. DEWITT,
CHARLES RICHARDSON,
B. T. DUFFEY,
D. J. MATTISON,
Committee.

On motion duly seconded the report was adopted.

The President—

Gentlemen of the Association: It is a pleasure to insure people to meet public officials who are always ready and willing to do their duty. We occasionally find men who use their office as a means of oppression, or in other words, an emolument to themselves in conducting a public business, but it is a very great pleasure to meet with an official who will study ways and means for the application of laws that will work no hardship upon others, especially upon the great interests of underwriting.

Such an official have we in the person of Mr. James V. Barry, Insurance Commissioner for the State of Michigan, who will now address us upon the subject of "Underwriting from a Supervisor's Standpoint; Supervision from an Underwriters' Standpoint."

Mr. James V. Barry—

GENTLEMEN:—

I feel as did the lamented Henry W. Grady when he rose to address the New England Society of New York, that I should first make acknowledgement of the courtesy by which I am permitted to be present. I make this rather abrupt acknowledgement advisedly, for I feel as did he that if, when I raise my voice in this presence, I could find courage for no more than the opening sentence, it were well if in that sentence I had met, in a rough sense, my obligations as a guest and had perished, so to speak, with courtesy on my lips and grace in my heart.

Although keenly appreciating the honor that is mine because of the courtesy of being bidden to participate in this meeting, I confess I am here somewhat by coercion, my hesitancy in putting in an appearance being wholly due to the fact that I have neither experience nor the ability to warrant the assumption that I could either interest or instruct you regarding the business which you have to do and which you all so thoroughly understand.

In justice to myself I think I ought to explain that an enthusiastic friend whom I met in traveling, secured for me an invitation to attend your last annual meeting. I was enabled to extract all possible honor from that invitation and still escape liability because of the fact that your meeting and that of the National Association of Insurance Commissioners occurred at the same time, and it was necessary for me to attend the latter. Instead of offering up devoted thanks for that providential deliverance, your Executive Committee renewed the invitation, or rather, returned to the attack this year. I sought the same avenue of escape only to find that President Friedley had barred it by an arrangement with the Executive Committee whereby the meetings were to be held in successive weeks. Being thus

deprived of my stock excuse, I resorted to all manner of expedients, but to no avail. All my demands were promptly met. In fact, my experience called forcibly to mind the farmer with whom a family from the city once spent the summer. Just before the opening of the following season, the gentleman from the city wrote the farmer saying he would be glad to entertain a proposition to spend another summer with him if it were not for two things: First, that the hired girl was exceedingly impudent, and second, that the pigs were kept in a pen located altogether too close to the house. In due time the city man received a letter from the farmer which read thus: "Don't stay away on them accounts; Mary Ann has went and we aint had a hog on the place since you left." (Laughter).

The circumstances attending my appearance here put me quite in mind of the man who was dragged before the magistrate for too frequent gazing upon the cup which not only cheers but also inebriates. "Didn't I tell you when you came here the last time," said the justice, "that I never wanted to see you again?" "Sure, Mike," was the response, "but I couldn't make the policeman believe it." (Laughter).

That was exactly my experience with your President. Try as I might, I couldn't persuade him that I was utterly incapable of preparing an address worthy of this magnificent audience. So by way of vindicating my reputation for truth and veracity, I am here in sheer defense to prove my assertion. When I read the names of the distinguished gentlemen who are to follow me upon the program, I felt that I ought to succeed, being like a young lawyer who encountered a friend on Wall Street. "What are you doing here?" asked the friend. "Oh, simply trying to earn an honest dollar," was the reply. "Well," he said, "you ought to succeed for you won't find a competitor in this place." (Laughter).

While I am in no sense a speechmaker, there can be no doubt that after an experience of three years as a supervising official, I know all there is to be known about that branch of the business, and am equipped to instruct all in the arts and ceremonies pertaining to it. That there will be no doubt in your minds that I am qualified to intelligently discuss the topic from the standpoint of the underwriter I am sure, when I remark that for several consecutive months I was the silent and inactive partner in a local agency that paid no dividends although equipped with names enough to furnish endorsement for all the paper that was wanted in most of the banks in our section of the State.

After concluding to discuss this topic from the standpoint, not only of the underwriter but of a supervisor, it occurred to me that I might lengthen out my topic to respectable proportions by throwing in a few observations warranted by my experience of

in being, how many can be found, the naming of whose names awakens smiles of recognition or admiration or gratitude outside the very narrow ranks of our own small coterie? What is the matter with us? Why are we so seldom named and why are we so generally ignored—or held up to anonymous execration?

The interests within our control are of tremendous significance. Measured by the coin of the realm, fire insurance is inferior to few. The field is surely great enough for the exercise of fine powers; to enlist the services of the very best. If the average of our talent employed is, as it would seem, only mediocre and we must look mainly to other departments of human activity for souls with true largeness of vision, then we must have failed to have given it the dignity commensurate with its importance; we must have impressed the world at large (and the world as a whole cannot be kept off the right track long) with the idea that our business is, despite its size, a cheap affair, without field for the exercise of the highest powers.

Yes, we have failed to "magnify our office"; we have given quite too much warrant for the charge that the business is a refuge for the failures of other business. Beginning with the agent who is turned loose upon a confiding public with an ignorance of his business quite abysmal and who finally learns it, if he learns it at all, at tremendous cost to both principal and client; continuing to the field man, who at the outset of his career, with the slenderest preparation, reminds us of the old Spanish proverb that "Barbers learn to shave on the chin of a fool," and finishing our scrutiny with the manager, who may be only a translated accountant or financier—what more shall I say?

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Mr. William Fulton—

Mr. Chairman, I wish to suggest a rising vote of thanks for this paper that has interested me greatly, and I hope the vote will be given with a hearty goodwill.

The motion was seconded, and a rising vote of thanks was tendered Mr. Stevens.

A recess was then taken until Thursday morning at 9:30 A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 29, 1904.

The President called the Association to order about ten o'clock.

The report of the committee on the President's address was presented by Mr. Baker, the chairman of the committee, as follows:

Your Committee, to whom was referred the President's address, beg leave to report as follows:

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Respectfully submitted,

THOMAS BAKER, JR.,
CARROLL H. DEWITT,
CHARLES RICHARDSON,
B. T. DUFFEY,
D. J. MATTISON,
Committee.

On motion duly seconded the report was adopted.

The President—

Gentlemen of the Association: It is a pleasure to insure people to meet public officials who are always ready and willing to do their duty. We occasionally find men who use their office as a means of oppression, or in other words, an emolument to themselves in conducting a public business, but it is a very great pleasure to meet with an official who will study ways and means for the application of laws that will work no hardship upon others, especially upon the great interests of underwriting.

Such an official have we in the person of Mr. James V. Barry, Insurance Commissioner for the State of Michigan, who will now address us upon the subject of "Underwriting from a Supervisor's Standpoint; Supervision from an Underwriters' Standpoint."

Mr. James V. Barry—

GENTLEMEN:—

I feel as did the lamented Henry W. Grady when he rose to address the New England Society of New York, that I should first make acknowledgement of the courtesy by which I am permitted to be present. I make this rather abrupt acknowledgement advisedly, for I feel as did he that if, when I raise my voice in this presence, I could find courage for no more than the opening sentence, it were well if in that sentence I had met, in a rough sense, my obligations as a guest and had perished, so to speak, with courtesy on my lips and grace in my heart.

Although keenly appreciating the honor that is mine because of the courtesy of being bidden to participate in this meeting, I confess I am here somewhat by coercion, my hesitancy in putting in an appearance being wholly due to the fact that I have neither experience nor the ability to warrant the assumption that I could either interest or instruct you regarding the business which you have to do and which you all so thoroughly understand.

In justice to myself I think I ought to explain that an enthusiastic friend whom I met in traveling, secured for me an invitation to attend your last annual meeting. I was enabled to extract all possible honor from that invitation and still escape liability because of the fact that your meeting and that of the National Association of Insurance Commissioners occurred at the same time, and it was necessary for me to attend the latter. Instead of offering up devoted thanks for that providential deliverance, your Executive Committee renewed the invitation, or rather, returned to the attack this year. I sought the same avenue of escape only to find that President Friedley had barred it by an arrangement with the Executive Committee whereby the meetings were to be held in successive weeks. Being thus

deprived of my stock excuse, I resorted to all manner of expedients, but to no avail. All my demands were promptly met. In fact, my experience called forcibly to mind the farmer with whom a family from the city once spent the summer. Just before the opening of the following season, the gentleman from the city wrote the farmer saying he would be glad to entertain a proposition to spend another summer with him if it were not for two things: First, that the hired girl was exceedingly impudent, and second, that the pigs were kept in a pen located altogether too close to the house. In due time the city man received a letter from the farmer which read thus: "Don't stay away on them accounts; Mary Ann has went and we aint had a hog on the place since you left." (Laughter).

The circumstances attending my appearance here put me quite in mind of the man who was dragged before the magistrate for too frequent gazing upon the cup which not only cheers but also inebriates. "Didn't I tell you when you came here the last time," said the justice, "that I never wanted to see you again?" "Sure, Mike," was the response, "but I couldn't make the policeman believe it." (Laughter).

That was exactly my experience with your President. Try as I might, I couldn't persuade him that I was utterly incapable of preparing an address worthy of this magnificent audience. So by way of vindicating my reputation for truth and veracity, I am here in sheer defense to prove my assertion. When I read the names of the distinguished gentlemen who are to follow me upon the program, I felt that I ought to succeed, being like a young lawyer who encountered a friend on Wall Street. "What are you doing here?" asked the friend. "Oh, simply trying to earn an honest dollar," was the reply. "Well," he said, "you ought to succeed for you won't find a competitor in this place." (Laughter).

While I am in no sense a speechmaker, there can be no doubt that after an experience of three years as a supervising official, I know all there is to be known about that branch of the business, and am equipped to instruct all in the arts and ceremonies pertaining to it. That there will be no doubt in your minds that I am qualified to intelligently discuss the topic from the standpoint of the underwriter I am sure, when I remark that for several consecutive months I was the silent and inactive partner in a local agency that paid no dividends although equipped with names enough to furnish endorsement for all the paper that was wanted in most of the banks in our section of the State.

After concluding to discuss this topic from the standpoint, not only of the underwriter but of a supervisor, it occurred to me that I might lengthen out my topic to respectable proportions by throwing in a few observations warranted by my experience of

fifteen years as a newspaper correspondent. However, I decided that by so doing I would invade the preserves of my much esteemed and most considerate friends of the insurance press, and so will leave that branch of the subject to their intelligent presentation.

Your President insisted that this was work in which every one must take a hand regardless of his equipment, mentally or otherwise, if success is to crown our efforts. It reminded me of a lumber boss, a friend of mine, who lived in the lumber district of Michigan. He called to his men one morning in his firm and unyielding voice, saying: "All you fellows with long rubber boots line up here!" And the men with the boots lined up. "Now, you men with the boots jump in the river and hustle the logs!" Then turning to the balance of the crew, he said: "Now, you fellows without the boots jump in and help them!" And so at the command of your President who insisted that all of the faithful must get out and push whenever so ordered, I am here without either boots or ideas, to aid my more fortunate brothers the little that I am able, and for fear that some of the gentlemen who will follow me may possibly get the idea that I will invade their territory, I want to say that I have no such thought, and am like the little girl whose Sunday school teacher said: "Marion, can't you sing 'I want to be an angel', with the rest of the children?" "No," replied the child, "I have enough trouble learning to play the piano without monkeying with the harp." Like the Vice-President of the Michigan Fire and Marine, that prince of baseball cranks, "I am having all I can do to cover my own base without invading the territory of the other players."

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UNDERWRITING FROM A SUPERVISOR'S STANDPOINT; SUPERVISION FROM AN UNDER- WRITER'S STANDPOINT.

Insurance has been very properly and tersely declared to be the "equitable distribution of misfortune."

When it is considered that the annual fire waste in this country alone, under normal conditions, amounts to \$130,000,000, and that from time to time, the country is appalled by conflagrations

such as those which laid waste great sections of the cities of Baltimore, Rochester and Toronto during the present year, we are brought to a most vivid realization of the fact that if these misfortunes and calamities could not be equitably distributed so that all could bear their share without being crushed by the burden, the results of even the normal fire waste would bring instability to all commercial enterprise and untold misery to thousands of our fellow citizens, while the results to the stricken community of a conflagration would be utterly appalling.

Without the beneficent aid of insurance the loss to commerce, although tremendous, would be small when compared with the wretchedness and distress which would destroy the ambitions and hopes of men and thus deprive the world of their energies and of the fruits of their genius.

The simple property loss involved in the destruction by fire of a man's home or business could be contemplated with reasonable equanimity, but the taking from his soul all hope and ambition, leaving in its place naught but rebellion and despair would be an irreparable loss to mankind.

He who helps mankind to bear calamity without despair and misfortune without rebellion is as surely doing the work of his Master as the priest who wages the battle with sin.

The commercial world has long since come to recognize the fact that the stability of business enterprise is based upon insurance.

That man is gambling with fate who fails to protect his business against destruction by fire.

A man's property may disappear mid flame and smoke in the night, but in the sunlight of the morning we behold him emerging from the smoke and heat, already conquering disaster and defeat, as he waves aloft his policies of insurance, and cries out with a voice heard even above the shrill notes of triumph of the fabled Phoenix, demanding blank proofs of loss.

The distributions of the burdens of misfortune can be successfully accomplished only through the collection of funds sufficient to meet not only the ordinary, yet stupendous fire waste, but also of an accumulation adequate for the greatest possible conflagration.

The premium tax is the only method by which these funds can be collected, and this tax should be recognized as necessary by both the underwriter and the insured.

There is an imperative duty upon the insuring public and the underwriter to treat this premium tax fairly and intelligently. The insurer should realize that adequate protection demands the payment of an adequate premium, and that an adequate premium must provide for creating and maintaining a substantial surplus.

in being, how many can be found, the naming of whose names awakens smiles of recognition or admiration or gratitude outside the very narrow ranks of our own small coterie? What is the matter with us? Why are we so seldom named and why are we so generally ignored—or held up to anonymous execration?

The interests within our control are of tremendous significance. Measured by the coin of the realm, fire insurance is inferior to few. The field is surely great enough for the exercise of fine powers; to enlist the services of the very best. If the average of our talent employed is, as it would seem, only mediocre and we must look mainly to other departments of human activity for souls with true largeness of vision, then we must have failed to have given it the dignity commensurate with its importance; we must have impressed the world at large (and the world as a whole cannot be kept off the right track long) with the idea that our business is, despite its size, a cheap affair, without field for the exercise of the highest powers.

Yes, we have failed to "magnify our office"; we have given quite too much warrant for the charge that the business is a refuge for the failures of other business. Beginning with the agent who is turned loose upon a confiding public with an ignorance of his business quite abysmal and who finally learns it, if he learns it at all, at tremendous cost to both principal and client; continuing to the field man, who at the outset of his career, with the slenderest preparation, reminds us of the old Spanish proverb that "Barbers learn to shave on the chin of a fool," and finishing our scrutiny with the manager, who may be only a translated accountant or financier—what more shall I say?

There are managers who hold their position by virtue of a warm hand, a comprehensive smile and an insinuating tongue. There are managers who hold their position by virtue of a truculent frown. There are managers who hold their position because the directorate lack the courage to make a change. There are managers who must be managers for some such reason as the father gave his son for the existence of kangaroos: "The Australians must have something to laugh at." And finally there are a few distinguished managers who hold their position because they know about all that it is possible for one man to know in the present stage of the underwriting science; and it is by this remnant that we are saved. On the backs of these men the rest of us, who escape a fall, ride to safety and success. How we got into our positions and why we are allowed to stay is one of the unfathomable mysteries of being. Possibly it may be accounted for on some such principle as, in the pious child's mind, accounted for the remarkable prolificness of the domestic felines: "God says, 'let there be cats,' and there are cats!" Directors issue the fiat, and behold the manager springs into being, fully panoplied,

like Minerva from the brain of Jove. I am speaking now of those officers who are directly responsible for underwriting, not of that other class whose work is the care of investments and in the broad field of general control.

I once asked the president of one of our largest and most successful companies his opinion of a certain schedule and form. "Why, bless your heart," said he, "I don't know anything about the insurance business. All I have to do with it is to tell Mr. Jones that it's a damn shame a company as big as ours doesn't do more business!" Happily for his company, there was a man who knew his limitations, and, because he did, successfully conducted his company through periods of stress that would doubtless have wrecked it, had he usurped the province of the man who did know something about fire underwriting, or had the merely technical underwriter been deprived of his large view. There are vital matters in the career of any company which are not met by technical; but by general business training and commercial or professional acumen; there must always be men for this department. I would be the last to combat that proposition or to deny the obligations underwriters owe to their unscientific associates. But a crew of captains cannot take a liner to port in safety; the engineer is quite as indispensable as the man who strides the quarter-deck. Barring the possession of proved genius for affairs and the temper to leave to trained subordinates the features of our business which differentiate it from any one of the other manifold pursuits of men, the manager should be the peer of any of his subordinates in knowledge of details and in grasp of the principles of underwriting. At least no situation can be considered ideal in which the man upon whom underwriting responsibilities fall calls constantly for instruction and guidance upon those whom it is his duty to lead.

This arraignment of my own class doubtless meets with a warm reception in the hearts of such of my auditors as still have their headquarters in the saddle. But perhaps even they may ask, on what theory is such a line of thought supposed to be timely? Why rehearse before us, who already know them, all too well, the weaknesses of our superintendents?

I dwell on this thought because out of your ranks should come the successors of those who now occupy the thrones, and because I would appeal to you to fit yourselves to rule with more wisdom than you are now ruled with. I think I can see the passing of the old time manager close at hand. In a variety of directions, evidences appear that the insurance world is awaking to the seriousness of its work and to the necessity for scholarship as well as common sense and business judgment in its affairs. I fear there is a disposition, however, among the older and more experienced field men, who have gained their knowledge by hard knocks and,

so to speak, shop-work, to minimize the value of technical training and specialization. It is not uncommon to hear some student of hazards or construction or protection lightly spoken of as "too theoretical." "Life is too short to refine to that extent. What's the use of going into all that? We must write the risks anyway. The rate pays for all these defects." It is easy to condemn as academic and doctrinaire, any essay beyond our depth or which requires more than a casual reading for its comprehension. Doubtless there are investigators who get lost in a web of refinements and never reach ground solid enough to bear the weight of a decision. An intelligent fool is the biggest fool, after all. But, for one, I take off my hat to the real student, whether he hails from the academy or the road.

I do not recall any failures due to excess of knowledge — barring, of course, matrimonial infelicities. If a practical mind with a practical training is a suitable tool, how is it injured by the acquisition of facts and by the discipline of the schools? That young special who told me a few years ago that he preferred the dry-pipe sprinkler system to the wet because the gases liberated to extinguish the fire did less damage to stocks than water, is probably better informed now and none the worse for his better technical knowledge.

Education is dynamic. Habits of concentration, of accuracy, and of reluctant and cautious generalizations, are no mean advantages, and they are most often found among men of studious lives. Fellowship with the world's thinkers and practice in their methods of thought will never be a handicap in any legitimate enterprise. It is true, they have not been appreciated by the insurance world in the past. But their day is beginning to dawn and the sun of the impromptu underwriter is burning its way slowly toward the western horizon.

I trust I may not be misunderstood when I say that the field man has abundant leisure and opportunity for the pursuit of technical knowledge. If I would seem to hint that the special agent's position is a velvety sinecure, that his feet tread only the primrose paths of dalliance, let me hasten to remove the impression. No such thought is in my mind. But I know from personal experience that there are many hours of enforced and tedious idleness, more irksome than toil, which might be enlightened and enriched by judicious study. Habit and taste go hand in hand, or one precedes the other indifferently. The taste for honest study seems a natural gift and creates the habit. But I am convinced that an enforced habit will in time produce the concomitant taste. Some years ago I found a Boston field man sipping a high-ball and reading Gibbon in the hotel cafe! But that was Boston, mind you; I would not look for it elsewhere. However, it was a suggestive sight, for the temptations of the life on the road,

especially in the way of waste of leisure, are not to be ignored and have many victims among our own people. Life would be intolerable without some bridge and pool, or the things they stand for, but they can hardly be considered the finalities of life or even quite worthy to absorb every disengaged hour or to encroach on the hours of sleep. Unless one has indulged in recreations with due discrimination, he cannot excuse ignorance as the result of lack of opportunity.

Again I find it wise to forfend possible misconstruction by hastening to say that a more zealous and methodical study of insurance problems is not urged on the theory that companies fail of getting their money's worth from the services of their field men. That is quite beside the mark at which I am aiming. It would be the height of impertinence, both to you and to your companies, to presume to such arrogance. My motive is, I trust, more disinterested and amiable, and my appeal, so far as it is practical, is to an enlightened self-interest, directed with most marked emphasis to the younger special agents. They have ambitions, both for fame and for competencies. If they have carefully reviewed what life offers them and consider these two things best worth while, the road to them lies, I feel confident, through the pursuit and development of fire underwriting as a science capable of greater exactness than it has ever yet attained. Skillful preparation will more and more eliminate the element of chance. The guesser, who needs the opportunity to guess two or three times and changes his guess with every change of the wind, will not always be considered an eligible party for managerial chairs. Your experience lies along underwriting lines and it must be along those lines, if any, that success will come to you. If companies want financial managers they will scarcely look to undergraduates in the field for such talent. Such managers come from other walks in life. Underwriting managers, or no managers at all, you must be. As you desire the honors, the comforts and the rewards of higher position, let me direct your attention to this road to them which I have been describing. If you think the game is not worth the powder, well and good, I will not quarrel with your decision. If the game does look toothsome, I think I have shown you the surest way to bag it. The law of evolution has, fortunately, not been avoided by fire insurance. The door to the future is not to be opened by the rusted key of the past.

To achieve an accurate and inclusive knowledge of mathematics, natural science and mechanics, in the odd moments which come in the way of wage-earners like ourselves, is hardly possible. To the ordinary mind nothing quite takes the place of skillful instructors, the laboratory and the shop. But the world is too full of the examples of successful self-education to make the denial of

its possibility a debatable position. If you have eyes to see and ears to hear, a mind to grasp and a memory to retain, it will be hard to set a limit to the volume of your acquisition. It is folly to deny the value of the art of printing. The world has much to forgive it in the daily and especially the Sunday paper, and mere reading, without reflection or regard to subject or style, is only a disguised dissipation. But there are books that reflect life, and to ignore them would be to leave us distinctly poorer. Happily, there is no longer a dearth of scientific literature based on the needs of our business. There is a rapidly growing school of experimenters and writers answering to felt and expressed needs. It is, I grant you, no holiday task for us who are without the advantages of their scholastic training, always to follow their steps; but their conclusions are usually clear and practical. To turn one's back on all this literature and to assume to be worthy the highest rewards without benefiting by it implies the taking of the thirty-third degree in intellectual arrogance.

If my thesis that the troubles of our business are due to our ignorance of it falls to the ground, then all that I have written is as sounding brass. But I challenge you to instance one of our afflictions which is not due to someone's ignorance and which might not have been avoided by a larger knowledge. If we all knew the defects of construction and protection, conflagrations would lose their terror, for they would be paid for in advance. If we knew what the fire cost of each class was and fixed our rates accordingly, rate wars would be as rare as a trade profit is now. If we knew what were the real hazards of risks, how they could be eliminated or controlled, schedules would not be changed with every change of the moon. A rate made in March might still stand firm under an August sun. We cannot justify ourselves to the public when the vagaries of our course show a 'prentice hand at the wheel and bewildered commander on the bridge,

I had hoped to write a song; it turns out a sermon. But the preacher shrinks from no application of his strictures to himself. He is willing to share with you the general condemnation. The ledgergers of his company are too blistered over with the ineffaceable records of errors for him to deny the need of confession and penitence and amendment.

I trust what I have written may not seem to have been written with a pen dipped in gall. But if a cynic's bad temper has revealed itself, let me conclude with the cynic's fable: The populace had stoned him to death, and as they stood about the corpse one of them said: "He used the world as his football." Whereupon the corpse opened one eye and replied to him "But I kicked it toward the goal."

Mr. William Fulton—

Mr. Chairman, I wish to suggest a rising vote of thanks for this paper that has interested me greatly, and I hope the vote will be given with a hearty goodwill.

The motion was seconded, and a rising vote of thanks was tendered Mr. Stevens.

A recess was then taken until Thursday morning at 9:30 A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 29, 1904.

The President called the Association to order about ten o'clock.

The report of the committee on the President's address was presented by Mr. Baker, the chairman of the committee, as follows:

Your Committee, to whom was referred the President's address, beg leave to report as follows:

The masterly manner in which your President has brought before you a resume of the events transpiring during the life of this Association will add much to the literature of former addresses of this kind, and his review of the events occurring during the past year are highly to be commended.

That part of the address which refers to Wild Cat Insurance Companies is to be highly praised, and will serve as a notice to all concerns of this class that they do not belong to the legitimate fire insurance world.

That part of the President's address referring to the Library does not need any special reference from the fact that this matter has already been placed in the hands of a special Library committee. It is sincerely to be hoped that an insurance library, second to none of its kind, will soon be so installed that all fire underwriters may have full access to its valuable records.

Respectfully submitted,

THOMAS BAKER, JR.,
CARROLL H. DEWITT,
CHARLES RICHARDSON,
B. T. DUFFEY,
D. J. MATTISON,

Committee.

On motion duly seconded the report was adopted.

The President—

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There is an imperative duty upon the insuring public and the underwriter to treat this premium tax fairly and intelligently. The insurer should realize that adequate protection demands the payment of an adequate premium, and that an adequate premium must provide for creating and maintaining a substantial surplus.

My experience warrants the assertion that business men generally are reasonable when treated with frankness and fairness. If you will but present to them a reasonable proposition and re-inforce it with an open and complete statement of the conditions surrounding it, they will meet you on common ground.

If I mistake not, there has too often been a tendency on the part of the underwriter to assume that the insurer is incapable of understanding the problem of rates, and to surround that problem with an air of impenetrable mystery which it is criminal for the insuring public to even seek to dispel.

The public cannot be expected to treat a business with favor when interested men who make bold to enquire as to the why and wherefore are treated as though they were demagogues, or, in the current language of the street, impertinent "butters in."

Insurance is a quasi public institution, and the public has rights which the underwriter is bound to respect. It is the duty of the latter to provide protection which is ample—protection which will meet all emergencies. To do this demands both capital and surplus.

The accumulation of a surplus is not a wrong to the assured, but it is rather his best protection. For this reason he should be treated fairly respecting it. It is a serious error on the part of the underwriter to attempt to meet a demand for a decrease in rates, however unreasonable such demand may be, with evasion and a cry of calamity, and then advertise an increased surplus at the end of the year.

The error is not in the accumulation of the surplus, but in the attempt to deceive the insuring public as to its necessity and mission.

You *know* that a surplus is an absolute necessity, and so far from any attempt to deceive the public, the underwriter should frankly and fearlessly seek public confidence by demonstrating this necessity in a manner that will appeal to the intelligent mind.

The greater the simplicity and publicity given to every element of the business, the more thoroughly will the business fulfill its mission and the more completely will it avoid the difficulties, troubles and embarrassments with which it is too often beset.

One of the chief elements of profit and success in the fire insurance business is, I take it, the ability to meet the approval of the insuring public. With an institution of this quasi public character, ability to deal satisfactorily and properly with those servants of the people who constitute the legislatures of the several States is of equal importance and value, for doubtless most of you have observed that the average insurance company is more or less interested in the question of legislation.

Legislators, as a rule, are possessed of about the same amount of human nature as is to be found in the general run of mankind. They should be dealt with accordingly.

It is my opinion that, in most cases, good laws can be enacted and bad legislation defeated by simply presenting the questions at issue to all the legislators fairly, honestly and fearlessly. Such presentation should be shorn of all technicalities and mystery, and the good faith of no one impugned.

It has been my experience that if the legislator is approached with the sole idea of convincing him, through honest argument and a plain presentation of the exact facts in the case, of the justness of whatever proposition you advocate, and the matter is presented devoid of jobbery, trickery or deceit, more will be accomplished than can be effected by artifice or the employment of the professional lobbyist.

As illustrative of this proposition I have in mind the action of the last legislature of my own State relative to the taxation of re-insurance premiums and the re-insurance reserves of domestic companies.

It is probably known to most of you that the Michigan statute previously embodied a provision whereby, in some cases, the same premiums were required to pay double and even triple taxes.

Repeated attempts had been made to secure a modification of this law, but it was not until the matter was presented to each member of the legislature in all its details, the example submitted even showing in dollars and cents the precise manner in which the revenues of the State for the previous year would have been affected had the proposed law then been in operation, and he was convinced of the equity and justice of the proposition, that the law was amended. And then the bill was passed without a dissenting vote in either branch of the legislature.

The Supreme Court of Michigan had decided that under the then existing law the re-insurance reserves of domestic fire and accident insurance companies were subject to taxation. The injustice of such a law was, in like manner, made apparent to the legislators with similar results as in the case previously cited.

In order to secure just legislation and prevent the enactment of unjust legislation, (and nothing else should be desired) underwriters must deal with their policy holders in a friendly, business-like spirit. Public sentiment is one of the most powerful factors in determining legislation, and great harm is done by creating and fostering a hostile public sentiment through the ill-considered treatment of policy holders in the adjustment of differences growing out of losses.

Seeking a technicality upon which to base a compromise is a fruitful source of trouble, which has its sequel in the halls of legislation.

Nothing can be gained from an attempt to bluff the public.

The people are wise in their own generation, and when companies vociferously declare that conditions in a State, whether through legislative enactment or otherwise, are absolutely ruinous and cannot be tolerated, and still continue to solicit business and operate therein, their protests are quite apt to fall upon unsympathetic ears, and their sincerity in respect to any question affecting their business to be regarded with doubt and distrust.

Fire insurance, I repeat, being so nearly a public business, its success must largely depend upon the harmony and good will existing between the companies and the public. Whatever tends to destroy this needed confidence, in so far unfavorably affects both the business and the public.

Fire insurance is a magnificent business, grand in its proportions and great in its accomplishments. There is no reason—at least there should be no reason why it should be regarded with suspicion by any of our people, or why the underwriter should be denounced, even in campaign speeches in the far West, as a trickster or robber, instead of being hailed as a friend and a public benefactor.

I trust you will bear with me if, in discussing the other branch of my subject, I assume that most of the supervising officials of the various States are honest, able and sincerely desirous of accomplishing the greatest possible good to the business and the public. It is perhaps true that, owing to the changing conditions incident to the exigencies of politics in some of the States, all of these officials are not permitted to attain to that degree of efficiency which should characterize the discharge of the important duties intrusted to them. Nevertheless, I believe that supervision in this country has kept pace with the development of the insurance business and has accomplished results equally as beneficial.

The trend has constantly been for the better and whether the ideal system shall be national supervision or improvement in the present system, supervision has come to stay.

It is a necessity to the stability and permanency of the business of insurance, and to the protection of the public against imposition and fraud.

No financial institutions in the world have withstood the disasters incident to all commercial undertakings more successfully than have the insurance companies of this country during the past half century.

Where supervision has attained its greatest efficiency there can be practically no loss to the public because of the inability of corporations to carry out their contracts.

The publicity which surrounds the business, together with strict enactments as to solvency and investments, have given the

public unlimited confidence in the financial stability of insurance. Without supervision the public would be helpless and the business would soon fall into disrepute.

The first duty of the supervising official is to the public. He is in duty bound to protect the people against the machinations of unworthy companies and individuals and give them the greatest possible information regarding the character and standing of those who seek their patronage.

While, to a certain extent, the supervisor must stand between the company and the insured, he should not play the demagogue and seek to engender either antagonism or distrust. His legitimate mission is to accomplish the greatest good for both. He can accomplish no good for either by setting the one against the other. The companies have rights which he is bound to respect. The people are entitled to the utmost protection, and he is bound to see that they have it.

Any regulations or requirements he may exact, or any legislation he may secure, which do not safeguard the interests of the people, but simply serve to harass the business, are subversive of the very interests he is supposed to protect, and destroy, to that extent, the value of supervision.

Whatever burdens are placed upon insurance companies must, in the end, be borne by the insuring public, and any burden not essential to the public welfare is a wrong against the public.

Insurance companies should willingly bear a just share of the expense of government, and should deal with the supervising officials and the public in a spirit of fairness. Further than this nothing should be required of them.

In the supervision of insurance companies there should be the most liberal spirit of comity between the States. Examinations and the regulation of investments should be left to the home State until it has shown itself to be incompetent or unwilling to enforce proper requirements.

Unless information has been refused, or the home State has failed to properly investigate the affairs of a company, and, upon request, furnish the result of its investigation, any examination, with its attendant heavy expense, is a graft pure and simple.

No supervising official should, however, hesitate to make an examination when, in his judgment, the interests of the insuring public demands such action. But he should be willing to declare openly to the world his reasons for such procedure.

An examination which is superficial brings contempt and ridicule upon the entire system of supervision. And justly so. It is worse than nonsense for an official to pretend to make an examination of a company in a few days when it would require as many weeks or even months for expert accountants to properly investigate its affairs.

The least supervision consistent with safety is the best. It entails the least expense upon the policy holder, while fully safeguarding his interests. He demands nothing more, and should be content with nothing less.

My experience in several walks of life justifies the assertion that a man can generally succeed in finding what he is looking for, especially if it be controversy and trouble. On the other hand, I believe that one can as readily avoid these animosities if he is disposed to address himself to the task in hand in a spirit of fairness and equity to all concerned. Whether he be underwriter or supervising official, his aim should at all times be to place the business upon a higher and better plane.

The best underwriter and the best supervisor is, after all, he, who in addition to an equipment of business judgment, has been endowed by nature with the saving grace of good, hard common sense.

It was moved and seconded that a vote of thanks be tendered Mr. Barry for his paper.

The motion was carried.

The report of the Special Committee appointed in accordance with the report of the Library Committee was then presented by Mr. Woodbury, as follows:

TO THE MEMBERS OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST :—

We, your Committee, to whom was referred the report of the Library Committee, beg leave to report as follows:

The adoption by this Association of the report made by said Library Committee, and that they be commended for the splendid progress made in permanently establishing for this Association the library that shall be of use to all its members.

The only recommendation made by the Library Committee that calls for a special report by this Committee, is that relating to the combining of the duties of the Secretary and Librarian. Under the By-Laws, the Secretary is elected by the Association, but his salary is fixed by the Board of Directors, while the Librarian is elected by the Library Committee, who also fix the latter's salary. It therefore seems expedient that the work of the Secretary should be largely done by the Librarian, and that on this account the salary of the former should be only nominal. The following also applies to the work and compensation of the Treasurer in some degree, and we would therefore suggest that the

Board of Directors consider the advisability of relieving the Secretary and Treasurer of all such work as may be consistently done by the Librarian for the purposes of economy.

Inasmuch as the Librarian is elected by the Library Committee, he would thus be made the permanent clerk of the Secretary and Treasurer, and would perform practically all of the detail clerical work of their respective offices.

Respectfully submitted,

CYRUS WOODBURY,
GEO. W. HAYES,
J. L. WHITLOCK,
Committee.

Mr. John H. Griffith—

I move that the report be adopted.

The motion was seconded.

Mr. Griffith—

May I inquire from the Special Committee whether it would not require an addition to our By-Laws to effect these changes?

Mr. Woodbury—

I do not understand that it requires any change in the Constitution and By-Laws to carry out the recommendations of this Committee. The By-Laws provide that the Secretary shall be elected by the Association, while the Librarian is appointed by the Library Committee. This does not provide for any new officers of this Association. Its only purpose is that this Association may be enabled to pay some compensation to employ some one to take charge of this library and take care of it, and also to perform the duties of these two respective offices, and thereby relieve them of a great deal of the detail of their work by putting it into the hands of the Librarian who is paid for doing it. The purpose of this report is to have some one permanently in charge, and in doing so, I did not understand that it required any change in the By-Laws.

The President—

According to the Constitution, if an amendment to the By-Laws is introduced, one year's notice is required, and whatever is done, I would like to see done now.

The motion was then carried and the report adopted.

Mr. Verner—

I think we can see that in carrying out the changes suggested in the report, it is quite possible that when the Library Committee or the Board of Directors meet to consider the matter, an amend-

ment to the By-Laws or Constitution may seem desirable. I do not know at this time that that will necessarily be so, but if they so find, the matter cannot be brought up until the next meeting and acted upon the year following, and I want to offer an amendment to the By-Laws so that if we see fit to take this matter up at the next meeting, the way will be open. I offer the following amendment:

At the meeting of this Association in 1905 an amendment will be offered, providing that the offices of Secretary, Treasurer, and Librarian, or any two of them, may be held by one and the same person, and that when the office of Librarian is so consolidated, the duties of the Library Committee shall be suspended and said duties performed by the Board of Directors.

FRANK A. VERNOR.

The President—

In these days of co-operation and lessening of accidents as much as possible in business, there has been created within the last few years, an Inspection Department. In other words, it is a Bureau of Information for the purpose of affording the companies an intelligent criticism of the risk. There is an Inspection Bureau in Chicago that is accomplishing a marvelous amount of work for the underwriting interests. At the head of that Bureau is Mr. S. H. Lockett, who has devoted much time and thought to the conflagration hazards, and we will now have a paper from him.

THE CONFLAGRATION HAZARD.

Mr. S. H. Lockett—

Discussion of this subject has practically exhausted all novel features in connection with fire-proof, or, as some would have it, fire-resistive buildings and materials. In fact it would be extremely difficult to say anything new along this line which seems to have been the one followed by all those dealing with the subject. It would also be impracticable in the brief time at the disposal of speakers before the Association to take up in detail matters of construction, materials, protection, etc. In view of these facts and the small hope the writer has of saying anything new along the lines mentioned, he has taken the liberty of treating the matter in a different light—as a problem analyzable—and presents for your consideration a definition of conflagration hazard, an analysis of the causes of conflagrations as well as the features affecting them, and a few general suggestions as to the prevention of conflagrations.

CONFLAGRATION HAZARD DEFINED.

Conflagration hazard may be defined as the inherent but dormant capacity of neighboring structures or bodies to cause a general fire in all such structures or bodies as are mutually exposed at the time of a fire. It is an impending and always existing danger where there are present combustible buildings or objects. The terms "inherent but dormant" are used advisedly, as the hazard may exist and never be brought into activity. Likewise "neighboring" is selected as including both adjacent and adjoining, it being unnecessary that the combustible individuals or elements should be juxtaposed. Indeed, quite widely separated structures or bodies may be subject to the conflagration hazard. So also, an alternative is offered in the case of "structures or bodies" in the definition, since not only edifices but trees, lumber piles and prairie grass may constitute the individuals or elements. The phrase "mutually exposed at the time of a fire" is meant to be both inclusive and exclusive; time and circumstance are important factors; risks which may be mutually exposed at one time may not be so exposed at another and vice versa. It may be well to add that "mutually exposed" is also used not only in the restricted but in a broad sense. For instance, a risk may expose another and not be directly exposed by it. The two do not expose each other mutually in the restricted sense, but in the event of the first burning and starting a fire in the second, the coincident burning of the two enables them to unite their capacities for damage, or mutually aid each other. In other words a mutual exposure may be developed.

CAUSES OF CONFLAGRATIONS.

We have seen what the conflagration hazard is; let us look into the causes of conflagrations themselves which are the manifestations of such hazard—the occasional proofs of its existence. A conflagration, in the insurance sense, is a general fire involving more than one combustible unit. It is, as it were, an escaped element preying upon all it can devour—a gourmand feeding to satiety upon all accessible viands. Escaped is descriptive, since a fire must break its own bonds and attack neighboring bodies before it assumes the character of a conflagration. In determining the causes of conflagrations, the manner of this escape is the chief concern. There are four general ways in which an individual fire may spread and assume the dignity of a conflagration. First, by the heat of the flame itself; second, by radiated heat; third, by means of brands; and fourth, by the wafting of large volumes of unconsumed gases of combustion.

First. Flame is the combustion, generally visible, of some substance and a sustaining medium. In the case of burning

buildings it is the union of gases roasted out and air. It is not necessary to go into the physics of flame except to say that it varies in temperature, being much hotter in some portions than in others. Above or beyond a flame, depending upon whether it is ascending or blown horizontally, is always a non-luminous zone approximating in temperature the heat of the flame itself and consisting of the freshly burned gases which are soon mixing with the surrounding air and becoming cooler, although they may still be hot enough for some distance to ignite ordinary combustibles. Obviously, if the flame or these still hot gases are hurled against wooden cornices or roof elevations or into windows or against any combustibles ignitable by their temperature, fire is started in a new place to add its similarly recurring phenomena to those of the original fire.

Second. Radiated heat is of a totally different character from flame. It is more in the nature of a wave disturbance, traveling onward through an intervening medium as if by communicated impulses. It will pass through transparent objects, such as glass, and can result in the ignition of inflammables beyond such objects. It is not dependent upon the direction of a draft as is the destructiveness of a flame. Its action will be understood when we recall that, while traveling in a railway train, we feel instantly through a closed window, the heat of burning ties beside the track. That this is radiated heat is proven by the fact that the air inside the car does not have time to be heated up and as soon as the pile is passed no heat is felt.

Third. The communication of fire by brands is generally well understood, although many do not realize the extent to which it can and does occur. The upward rush of heat carries high into the air brands which may fall miles distant, ignite grass, lumber piles, porches, awnings, roof elevations, etc., or crash through windows and skylights to the interiors of buildings.

Fourth. The action of accumulated and unconsumed gases of combustion is not so well understood. Indeed, it has quite generally been overlooked, many attributing to what has been called the hotblast feature of conflagrations effects really peculiar to the presence of such unconsumed gases and accountable for by them. These gases must exist in all fires where large masses of combustibles are burned without sufficient oxygen, this condition being easily obtainable where a fire has already spread over any considerable area, or even in a single risk. If they are hurled forward by natural wind or the induced drafts of the fire itself, many interesting phenomena are possible. Fires, for instance, have been observed to break out suddenly in buildings, trees or grass far removed from the original fire. Except for the instantaneousness with which they burst into flames, flying brands might have been the cause, but the inflammation has been so general as well as

instantaneous that no explanation is possible than that these unconsumed gases have traveled forward, permeated the structures and been fired in any of several ways. Laymen have examined the ruins of Baltimore and other conflagrations and decided that there are mysterious elements at work during a conflagration, pointing to evidences of excessively high temperatures not far from unconsumed objects which must have been burned had they been subjected to the same heat, and to other occurrences, as proof. Of course, everything must have a natural cause, and it is "up to" us to find it where it concerns our business. The writer has heard of no alleged miracles in conflagrations that are not susceptible of natural explanation. Let us see if all of them are not explicable by the following facts:

Substances which do not contain within themselves the elements of combustion cannot explode nor burn until they are supplied with the missing element, generally oxygen. Oxygen, of course, is present in the air, and if enough air cannot reach the seat of combustion, the gases roasted out of burning or heated but still unignited materials cannot inflame at once, however hot they may be—an important fact. What is the result? The unconsumed gases referred to are frequently hot enough to inflame substances which may have a lower ignition point than that of the gases themselves or at least lower than that at which it is maintained prior to the admission of air. When air is finally admitted in any way, instant inflammation, not only of the gases but of the aforesaid substances they surrounded, takes place spontaneously. If inflammation does not occur in this way, it could happen by the flashing forward of fire along trains of partly mixed air and gas, or by sparks, or by matches which may have been caused to phosphoresce so rapidly as to ignite, or in many other ways. This is not at all remarkable when we consider that the ignition point of the unconsumed gases is apt to be near red-heat and that this heat readily ignites many common substances found in buildings. Indeed, it is entirely reasonable to suppose that since the gases are unconsumed for lack of air they may become heated high enough themselves to ignite the mixture which they shortly form with the surrounding air. We must also bear in mind that the combustion of already heated gases results in a very high temperature—a fact utilized in the modern blast furnace wherein the blast is heated before it is admitted to the interior of the furnace. The remarkable variation within short distances of the temperature in a single room, therefore is easily accounted for. It is not surprising to see metal objects of sufficiently small mass to be raised in temperature rapidly, melted or partly fused while other objects a few yards away and of lower fusibility are intact. Nor is it surprising to find larger evidences of intenser heat than the mere burning of the combustibles present would have indicated as

possible. We say it is not surprising, because wandering volumes of unenriched and intensely heated gases of combustion may encounter enough already heated air in a building or room to form a combustible mixture which burns at or above the fusing temperature of many metals. Drafts and eddies account for the localization of such combustion, making possible in a single room variations in temperature of hundreds of degrees. Indeed, in the case of ordinary fires, the temperature at the ceiling may be such that combustion is taking place while firemen a few feet below are working unharmed. The writer, in fact, has seen flames occupying the upper half of a room and issuing from the upper half of windows over the heads of firemen as they crawled under the flames to the interior. All of us have doubtless seen the gases roasted out during a fire suddenly burst into flame a hundred or more feet above the flames of the fire itself, and when such flaming or combustion takes place, the temperature locally must necessarily rise suddenly and considerably. What then is occurring during a conflagration? Not only are brands falling and the flames themselves, the heated air from them and radiated heat impinging upon all objects within reach, but large volumes of still combustible and unconsumed gases are hurled about to ignite when properly mixed with air, perhaps after they have entered a building. And of all, the last are most terrific in their effect, since they result in intenser heat and frequently explode as they combine with the air in a building, adding the destruction of explosion to that of fire. It is not difficult, therefore, to form a mental picture of the progress of a conflagration.

FEATURES AFFECTING THE CONFLAGRATION HAZARD.

Having examined briefly into the causes of conflagrations, let us review, also briefly, the features affecting their spread. An effort has been made to classify these features, and the following are submitted as embracing, with their ramifications, all matters contributing to the conflagration hazard or the spread of conflagrations.

1. Structure and occupancy or combustible nature of the component parts or separate items comprising a conflagration district.
2. Propinquity or nearness of these component parts.
3. Natural phenomena.
4. Protection.

Upon analysis, we find that No. 1, the structure and occupancy or combustible nature of the component parts of a district, includes (a) the construction of buildings, bridges, towers and all edifices whatever, as well as all features of occupancy, including

hazard; (b) the height, size, arrangement, character of stock and bed of lumber piles; and (c) the quantity and dryness of grass, trees, etc.

Analyzing No. 2, the propinquity or nearness of the separate items comprising a conflagration district, it is found to include the actual distance apart of buildings, lumber piles, etc., and such distance as affected by the topography or "lay" of the land. Distance may also be relative; two buildings of one character and a given distance apart may be entirely isolated; two others, say larger and more combustible in every way, may expose each other badly at the same distance.

Under No. 3, natural phenomena, are included severe winters arid summers, high winds, earthquakes and meteorological conditions not already specified.

No. 4, protection, is intended to include (a) internal and external extinguishing devices of all kinds; (b) fire-shutters and doors, wire-glass and similar fire-delaying paraphernalia; and (c) accessibility, itself including the actual approachableness of a risk over roads, its "get-at-ableness" after the department has arrived, etc.

THE PROBLEM BEFORE US.

I have presented what I believe to be the causes and natural phenomena affecting this question. In a paper limited as to length it is obviously impossible to elaborate upon the various principles stated. You are asked therefore, to make the application yourselves of these principles to the problem they all affect, which is: can conflagrations be prevented?

Before going any further, let me say that they not only can be prevented but in order to attain this end ideal conditions are not necessary.

Picture to ourselves a city's congested or so-called conflagration district. It represents in its structure a huge honeycomb, with this difference—in a honeycomb the walls of the cells are without openings and each cell enjoys the advantages of isolation. If we can approximate this segregation in our urban honeycomb, we have prevented conflagrations. If we can isolate the various cells of this huge honeycomb, conflagrations are impossible. Why? Conflagrations start from small beginnings but they are not like successful human beings commencing life in the same way, as conflagrations must have "easy picking" or they are discouraged. If they are compelled to take a series of redoubts, as it were, they balk and fail utterly. Therefore, if we make it difficult for a fire to first get out of a building and then difficult to get into another—provide a series of redoubts to be taken—we have easily and without ostentation quenched the ardor of any fire with conflagration aspirations.

As has been stated, to do this, perfection is not needed. Nor is any radical change. Our present protective and preventive

devices and methods of construction are entirely adequate if intelligently applied. We have been too much concerned with the ideal. There has been too much worrying over perfection of details. Standards are all right and are proper objects to attain as a general thing, but standard arrangements are not always necessary. We are amused when we see a standard fire door placed in a wooden partition in accordance with some poor beginner's recommendation, but we think nothing of insisting upon heavy, tin-clad electric elevator traps when the surrounding floor is only one inch thick; nor of requiring standard fire-shutters toward an insignificant exposure; nor of many equally inconsistent requirements. And it is just as inconsistent not to require many changes as it is to insist upon unnecessary ones. The only solution to the question, therefore is to have all problems of protection and exposure decided by competent judges of the conditions presented by each problem. To isolate each building, it is not always necessary to protect all openings in each wall, but it is always necessary to provide the protection demanded by the conditions. Thus, a building of ordinary construction is across the street from a fire-proof office building. The latter we shall say is no exposure to the former although the ordinary building is an exposure to the office building. As far as these two are concerned, if the area, height, internal structure and occupancy of the ordinary building are such as to make a bad exposure fire, under the many combinations of circumstances discussed elsewhere, some kind of window protection would be needed on the fire-proof building. Possibly wire-glass would be sufficient; perhaps the best designed fire-shutters. On the other hand the ordinary building would not need protection from the office building, but even its front might need some kind of protection from the buildings on either side, perhaps several doors away, since it is possible for flames, gases of combustion and unconsumed gases to issue from the fronts of other buildings and be carried back by drafts, eddies, etc., into the fronts of nearby buildings on the same side of the street. The writer has seen this occur.

In saying that isolation is necessary to prevent conflagrations, we do not mean to stop at exterior walls. Each risk of excessive area should be subdivided by fire or curtain walls adequate for the service required of them, and each subdivision of a building should have the vertical openings reduced to a minimum. By this is not meant that all openings should be prohibited or trapped or otherwise protected, but that if they are significant, they should be properly handled. Many small buildings of ordinary height would not require fire-doors on their division walls or that floor openings be enclosed, these features in their case being coverable by fate. Such matters, of course, would be determinable solely by compe-

tent investigators on the ground who have made an examination not only of the individual risk, but of those in the vicinity, taking into consideration the inter-relationship, as it were, of all. This course would be no more expensive than the present methods of inspection and probably not so costly if undertaken systematically. In fact, the Bureau, with which the writer is connected, has practically been making such an examination, in the ordinary course of its work, for the last six years, reporting on the conflagration hazard by blocks and districts, at no appreciable increase of expense. Work similarly conducted but backed up with authority to compel necessary improvements, made so by local and vicinity exigencies, would soon eliminate the conflagration hazard except that created by earthquakes and tornadoes which, in their general destructiveness, produce conditions not amenable to human laws or controllable by human devices.

Before closing it may be well to revert to the statement that it is not always necessary to insist upon standard arrangements. One of the greatest hindrances to progress in our business has been the feeling that there should be no compromise, or, at least, that compromise could not be permitted practically. It can and ought to be permitted. A chain is as strong as its weakest link, and if we make all links strong enough to do their duty, we have accomplished all that is necessary. Standards should be approximated in new work, of course, but in practice, if many cases were compromised, excellent results would be obtained. The writer knew of a case where a shavings vault had a fire-door built according to one standard but not the one demanded by the rater having jurisdiction, and a charge was made as though there were no fire-door at all. Either kind of door would have answered all purposes. In fact, it is seldom that a highly resisting door is needed on a shavings vault. This is only one of the thousands of cases that could be cited in which the actual needs of a situation are not considered. The objectionable feature here is not so much the individual violations of common sense as the general feeling that such violations are unavoidable and must be insisted upon, in fact, to preserve the order of things. The Mutuals take advantage of this little weakness in many ways and in innumerable other ways it costs us money as well as the insuring public.

Let us, therefore, keep and improve our standards, but let us, by systematic examination, determine in individual cases the advisability of applying those standards; let us attack each risk and block in a city in the same intelligent way, dividing it up not theoretically into certain sized units, but as needed; and then, with present protective devices in working order, conflagrations will be no more. There will be no need for mystification, no call for a panacea, no necessity for a conflagration charge indeterminable at best.

The President—

I think we are going to have some discussion of this paper. I see in the audience, Mr. Griswold, Inspector of the Home Insurance Company. Has he anything to say?

Mr. Griswold discussed Mr. Lockett's paper as follows:

It affords me much pleasure to heartily commend the paper just read as a whole, from premise to conclusion, as being of more than passing or ephemeral value to those who have been permitted to listen to its delivery, and as also of broad value to the profession of fire insurance at large.

It is true, as the author of the paper has said, that since the conflagration at Baltimore and at other localities during the present year much has been said as to "conflagration hazard" in its relation to building material and construction, but as yet, none of those who have put themselves in print have approached the subject from the very important viewpoint just submitted to you.

It is seldom the privilege of an assemblage of this character to have presented to them in so lucid and sequential manner the phenomena of combustion, heat and flame, as it has been our present opportunity, and to my mind the greatest value of this paper lies not in its delivery before your body, but in the privilege thus afforded you for future consideration and study of the facts and conclusions presented to you in relation to the supposed mysteries of the physical and chemical characteristics of combustion, so excellently set forth by the author of the paper.

Having thus endorsed the paper as a whole, it will perhaps appear like recantation to adversely criticise any of its conclusions, but while I am in full accord with the author as to the absurdity of demanding compliance with "ideal standards" when the environment, being weak, would nullify the integrity of the "standard," I cannot concede that *all* means of retarding the spread of fire may be waived, even under the supervising eye of the "competent investigators on the ground." Much should be left to the judgment of such accredited talent, but it is inconceivable to me that it is ever permissible to ignore the question of unprotected vertical openings in the floors or ceilings of business or manufacturing structures, whether they be small, large or sub-divided areas.

These remarks are prompted by the statement of the author of the paper under discussion that while he advocates the sub-division of wide areas and the enclosures of vertical openings in same, he also states that he "would not require that floor openings be enclosed" in buildings of "ordinary height," holding that "these features in their case being coverable by rate," and in this suggested waiver or concession in the requirements for the protection of ver-

tical openings, it appears to me that one of the most marked and prolific causes of "big fire" and conflagrations is being ignored; heat and flame, if afforded vertical opportunity, must ascend, and the consequent quick, if not instantaneous spread of flames and heated gases to the upper sections of the structure is the factor which instigates and promotes that volume or mass of active combustion which presents the beginning and later promotes conflagration.

Any means of closing vertical openings, even if less than that of the floor or ceiling which they pierce, is far to be preferred to none at all, as the minutes saved by retarding the immediate spread of flame in a vertical direction, may suffice to subdue the fire. Hence, in my judgment, all vertical openings should be closed when not in use, or be arranged to close automatically, and be of such character as would at least equal the resistance of their environment, and I do not concede that this precaution should be waived, even upon the judgment of the "competent investigator."

The suggestion that a rate charge may cover the features of defects such as noted, does not appeal to me as being in support of the otherwise excellent conclusions reached in the paper under consideration, as the assertion quoted brings us back to the ancient days of practice, when fire insurance was said to be "business of chances, hence, take all of the chances you can for the money you get." Rates do not eliminate the hazard, but if high enough, may force compliance with demands for betterment, but, as the whole tendency of fire prevention and fire protection is, in these days of progress, to subordinate the question of rate to the essentials of proper construction and prevention, it does not appear advisable to either advocate or palliate such deviations from safety as noted, even for the added compensation which may be had in advanced rates.

Unprotected vertical openings are the broken links in the chain of prevention.

Mr. I. S. Blackwelder—

Mr. President, while on this conflagration hazard, I would like to tell a little incident that happened in my experience in 1873, at the time of the Oshkosh fire thirty-one years ago. My friend Hayes was there. I was there adjusting losses for the Home Insurance Company of New York, and one of my claimants lived out in the country just about four miles from the city. The story as told by himself and vouched for by the family is to the effect that they had seen a great column of fire and smoke rising up over Oshkosh, and the old man got very much interested and hitched up the horse and drove down to see the fire. A volume of smoke passed over their way and they could see flames in the clouds,

probably from burning cinders and brands and possibly from gas, but a board about four feet long all aflame, fell upon the roof of their barn. The barn was a very high one, and forty by sixty feet in size. As there was no one but the women and children around, all that could be done was to get the horses out before the barn burned. We paid the loss. I am only calling attention to that as a part of the conflagration hazard. The barn was just four miles from town.

A vote of thanks was tendered Mr. Lockett for his paper.

Mr. H. N. Wood—

When any gentlemen of the standing and reputation that Mr. Griswold carries with him wherever he goes, is willing to produce a paper for our enlightenment, after only a few hours of preparation, I think that this Association can at least afford a vote of thanks to such a representative of the business as Mr. Griswold is known to be, and I move you we add also a vote of thanks to Mr. Griswold.

The motion was seconded and carried.

Mr. J. T. Dargan—

Mr. Chairman, it is twenty-four years since I have said anything before this honorable body, but I was struck by a remark made by Mr. Griswold to this effect. I believe he voices substantially the essential risk involved in this question of conflagration hazard. I believe if we can, as practical underwriters by law or in any way, shape or form, reduce the risk and control the vertical openings, we will overcome most of the trouble. I do not believe the underwriters are sufficiently alive to that problem. In Atlanta, Georgia, we have a very effective tariff association which presumes to deal with the question of rates. We have office buildings in every direction with openings that, in my opinion, are not sufficiently penalized. I do not believe that as underwriters we can afford to overlook that point. It is like an epidemic that you cannot confine and the epidemic is, with us, these vertical openings. There are many things that technical men could bring before us, but in my opinion, that constitutes ninety per cent. of the trouble that the underwriters encounter in dealing with the conflagration hazard.

Mr. William Fulton—

At the time of the Bowen-Merrill fire in Indianapolis in which a number of firemen lost their lives, the fire commenced in the cellar some thirty feet away from the elevator. The fire traveled from the source of its inception thirty feet, passing between two stone pillars that were separated about five feet, travel-

ing to the elevator shaft which was open, and going up four stories. Strange as it may appear to you, gentlemen, it is true that while immediately around the first story the doors were scorched considerably, the fire traveled up four stories through the elevator and past the second story without even blistering the paint, communicating the fire to the fourth story, and the fire was in the fourth story and the cellar. This emphasizes better than anything I know of the truth of the remark that you must protect the vertical openings if you expect to confine your fire at all. Now, I am not telling you a mythical story; I am telling you what I observed. The paint was not affected above the first story. The heat traveled in the center, but the volume of the heat was sufficient to set fire to the fourth story.

The President—

I am very glad to hear this discussion. Mr. Fulton has had a great deal of experience in Indiana, and this fire that he refers to in which twelve firemen lost their lives, I have a clear recollection of. I think that the heat went to the fourth story and blew the top off of the building, and the firemen went down.

Mr. S. H. Lockett—

I had not intended to say anything in self-defense but merely wish to express regret that the point I tried to bring out very clearly did not seem to be carried home. The whole idea of my paper was that of segregation, and in order to accomplish that, we not only have to divide risks horizontally and vertically, but insisting on that, we do not want to go to too great a theoretical extent. We want to take the thing up practically, waiving minor matters, and get at the heart of the questions involved so as to handle the subject in a practical manner throughout. There is too much theory in our business now.

The President—

Gentlemen of the Association, about thirty-two years ago, one of those itinerant special agents that traveled in the south of Indiana, struck a law office down at Vincennes. He was looking for local agents. He went in and found a young man who had just begun his career as a lawyer. The special agent was old man Collier of Indiana; some of you doubtless remember him. He struck the law office of Mr. W. H. DeWolf, who had a young man in there who was trying to master the mysteries of Blackstone. Collier induced him to take the agency of his company. After he went home, he shipped to the young man fifty policies, and when they arrived, the young fellow did not know what to do with them, but exercising his rights as a legal investigator, he began at once to read those policies and study them, and he came after

a while to the conclusion that it was marvelous that the Company should send to him, an unknown quantity in the business, fifty contracts that might involve millions and millions of dollars so far as he was concerned. So from that moment, this man began the investigation of the fire insurance contract. He was the first man that brought to the public, notice of the fact that the negligence of one party did not excuse or relieve the company from liability or that if a man suffered by negligence, he could recover from the man who caused the negligence and still recover his insurance.

That man has prepared an address for you, and I now take pleasure in introducing the Honorable Smiley E. Chambers, the man who gets us out of every kind of trouble except matrimonial, down there in Indiana. I now call upon Judge Chambers. (Applause.)

INSURANCE MEN AND BUSINESS, FROM A LAWYER'S VIEW.

Mr. S. E. Chambers—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION—

Joe Stahl of Indiana, formerly an adjuster, now a manufacturer, gave me this experience of his. He had a loss in a town in the northern part of the state, and the insured's name was Weinstein. The loss was all right, but the claim put up was very excessive. He did not want any litigation, and so he called upon an old banker in the town whose name was Wolf, to help him settle his loss with Weinstein. The old man said: "Of course Weinstein has got to settle. I go right down mitt you now." They went down to the man's place of business. "Weinstein, what vas the matter between you and Mr. Stahl?" Weinstein says: "I had a loss." "Never mind, Mr. Weinstein, I vas going to settle this myself. Stahl what is the matter between you and Weinstein?" Stahl says: "Well, he put up a _____." "Never mind, Mr. Stahl, I vas going to settle this loss myself" Mr. Weinstein, you just ask Mr. Stahl what was right, and Mr. Stahl, you just pay Mr. Weinstein what he asks." (Laughter.)

That is the position in this case. Your President has asked for what he wanted, and I am going to give him just what he asked for, and whatever responsibility there is connected with this matter, and whatever failure there is to entertain you, will be due entirely to your President.

In the language of my friend, Mr. Barry, of Michigan, I would, with courtesy on my lips and grace in my heart, make acknowledgment of the great favor bestowed upon me in permitting me to address this body of business men. But as I am short on courtesy, and never was long on grace of the heart, those terms

have a local adaptation here in Chicago. I shall have to content myself with merely saying to the President, to the Committee, and to the gentlemen of this Association, I thank you.

I had intended to throw a few bouquets to these agents in the way of some stories at the beginning, but after Mr. Barry, what was left? He has foraged the whole field of story books, and flung them at you at the beginning, but his industry overlooked one in the remote fence-corner of the field, which illustrates my position before this audience. There was a certain Bishop, an unsophisticated, although a very good man, who had a portable bath-tub which he carried with him for his own use as he went about the country preaching the gospel. Upon one occasion, when he remained at home a few days, very much to his surprise he found that his servant, Mary, had used his bath tub. He reproached her very severely for this breach of propriety, and when she manifested so much repentance over it in a sort of palliating way he said: "Mary, it is not so much that you used the bath-tub, but it is that you would do behind my back what you would be unwilling to do before my face."

Now I am coming before you to-day to talk about you and to you before your face just as I would do behind your back.

The insurance lawyer has opportunities of knowing the spirit and purpose of both insurer and insured that are denied to those not engaged in the business. The sidelights thrown upon this business in litigation do not always reveal the most agreeable features. He sees how each party views the other. He sees others as others are absolutely unable to see one another. He ought, therefore, to be able to reach conclusions with reference to the business that would be hidden from those who conduct it.

It does not become me to undertake to teach this body of men engaged in the business and so experienced and learned therein. It would be like "carrying coals to Newcastle." Nevertheless, it may be proper to advance some suggestions which have occurred in many cases of litigation it has been my favor to engage in.

In the annual address delivered before this convention in 1903, these suggestions are found:

"The underwriters' millennium will come when the relation between insurance companies and the public are understood and appreciated.

"When the makers and administrators of the laws have such knowledge of those relations and such a desire for their proper maintenance that they will treat the companies with fairness and justice, instead of burdening them with excessive taxation and hampering them with oppressive restrictions, and assume that the companies may be sometimes right when they and their customers disagree, instead of believing them always wrong.

"When officers and managers act toward each other as if they believed the golden rule to be still in force.

"When they prefer to give authority and precedence to their employes, instead of placing them under the direction of disinterested strangers.

"When agents regard themselves and are regarded by their managers, not as brokers or solicitors, but as trusted servants of the company, in close connection with its management and having its interests at heart."—John H. Washburn, President Home Insurance Company of New York, thirty-fourth annual meeting of the Fire Underwriters' Association of the Northwest.

The spirit of these conclusions is noble, but, in my judgment, there is no millenium for the fire insurance business. The inherent character of the business forbids it. When millenium conditions arise in insurance, the business will perish. It would be a repetition of the Irishman's experience in attempting to teach his horse to live without food. He taught him the lesson all right, but just as it was learned the animal died. As food is to the horse, friction is to the fire insurance business. Friction, failure, fire. The Israelite outdid even this. His card was presented to his friends with the cabalistic letters printed thereon, "F F, F F F." When inquired of as to the meaning of the strange device, the explanation was simply two failures, three fires.

The insurance business has to deal with negligence, carelessness, perfidy, cupidity and accident. You can not spell millenium out of these words. If it were not for these, fire insurance would be reduced to a minimum. Of course, conditions could and should be improved. They have been largely improved since I first came into touch with the business.

The business has to do with all these unfriendly elements, without much opportunity of controlling them. It is carried on in wide sections of the country, and has to do with men engaged in all lines of business. Personal supervision is not practicable, if not practically impossible. In most States where your business is carried on, there is little supervision of risks and small energy exercised in bringing guilty ones to punishment. These are covered largely by what is called "moral hazard," and the premium is large therefor. It is easily seen, however, that it is impossible to measure the price that should be charged for moral hazard. It is confined to no one line of business. It does not appear, perhaps, more in one line than in another. It breaks out in most unexpected places, at most unexpected times. It often carries with it destruction of buildings and property not affected by the moral hazard. It is thus easily seen how difficult a matter it is, as no doubt you have reasons to know, to fully appreciate, apprehend, master and control this element in the business.

Upon the insured's side of this question also great difficulties arise. Few insured read their contracts, and therefore are ignorant of what they contain. Many would fail to understand them if they should read them. The purchase of a fire insurance policy, therefore, to the insured is much like buying an unknown article "sight unseen." He pays his money; he gets his contract. If he has no fire during its existence, at its termination he feels as if he had paid his money for nothing and had received nothing in return. He is unable to appreciate the fact that the company has paid upon their losses many times what it has received in premiums on those policies. If it is repeated again and again through a period of renewals his feelings in this line grow into conviction that the insurance company owes him something, and, if he has a loss, that such loss should be paid without reference to the contract existing between himself and the insurance company at the time of the loss. A short time ago a business concern made a claim against a number of insurance companies for \$4,000. It was contested on the ground that there was no liability, the loss not having arisen within the terms of the contract. This business man, who, of all persons, would be supposed to appreciate the terms of the contract, grew very furious upon denial of liability and justified his position by the statement that in his business he had paid to insurance companies many times the amount of his loss.

The insurance business labors under a difficulty unknown to any other business with which I am acquainted. This difficulty makes the business unpopular, an unpopularity that permeates all classes of people, merchants, manufacturers and dwelling owners. It crops out upon every opportunity. It manifests itself in the verdicts of juries and in the decision of the courts. Railroads have great advantages over insurance companies in this respect. The railroad is a tangible fact. It has tracks, stations, switches, bridges, trains, carries people from one place to another, and is ostensibly a useful instrument in our civilization. Insurance companies have no such tangible evidence for the public. They own no visible property in the community in which their contracts are made. Their business is conducted by boards of directors in foreign States, foreign cities and foreign countries. Their general agents are located in the cities, far away from the places of their hazards. Their losses are adjusted by strangers to the insured. Their local agents are in no way identified with the insured except by receiving their money and by delivering to them contracts which they do not understand. Such is the apology the lawyer offers to his insurance clients for his failure to secure verdicts from juries and decisions from courts in cases where it seems to the general agent there should be no doubt of their non-liability.

Education has been offered as a remedy for this condition of things. It is not adequate for this purpose. There is no education for the insured that will enable him to see, when his loss occurs, the correctness of the position assumed by the insurance company. You must educate to secure the desired result, each succeeding generation, each individual insured. The whole community must be educated every year of your business relations with it. This would be a herculean task, impossible to be accomplished by any one company, or by any combination of companies.

The result is, therefore, that if you engage in this business you must engage in it with these unfortunate conditions continuing to exist.

Is there, therefore, no remedy? If no complete correction, is there no method of improvement of the conditions? These are questions which no doubt have occurred to you many times before, and have met with many suggestions.

Much has already been done by the insurance companies in this direction. The association of the companies, the supervision and control of the conditions have been submitted to governing committees. These committees have done a large work. They have systematized the business. They have gathered together and analyzed statistics. They have instituted local boards, have established uniform rates and have done much in the way of improving the hazards and minimizing the risk attendant on various classes of property. They have done much also in improving the character of their adjusters and in the selection of local agents to represent them in large communities. In some States much has been done by the adoption of the standard policy, a policy made the law of the State by legislative action and which, in my judgment, is the greatest work of insurance companies in recent years.

By the standard policy the provisions of the contract offered to the people have been very much simplified. The obligations of the company are much more clearly stated. Many clauses of doubtful construction have been made definite and certain and methods of adjustment much improved. Arbitration has been made a more prominent feature and enforcement of this feature made enforceable against invalid claims.

It is well known that policies of insurance are seldom read by the insured. They trust to the company for the provisions of the contract. They trust that their rights will be protected and that they shall receive *quid pro quo* for their money; that the protection they buy shall be granted to them.

In former years policy contracts were not uniform. In the courts these widely varying provisions led to confusion in decisions,

until finally it was difficult, if not impossible, for a lawyer to say what the law was on any proposition. There was inextricable confusion.

The adoption of the standard form by the leading companies introduced a new order of decisions by the courts. There is now much more uniformity in these decisions and, consequently, more certainty in the law. There is much less room for vacillation in the courts and better opportunity for controlling juries and the prevention of unjust and willful verdicts. This form has been adopted by many States as the law of the State. This is in itself a great advance. The insured, differing with the company as to his loss and the liability of the company, can not plead complete ignorance of the law of the State, and, as the policy contract has been made the law of the State, he must be held by the courts to know the provisions of the contract. This cuts off much of waiver and estoppel, the two chief allies of disappointed and corrupt insurers.

A timidity has manifested itself upon the part of general managers in two respects: (1) In regard to the defense by insurance companies of false and fraudulent claims made against them for losses under their contracts, and (2) in their desire to go before the Legislatures of the States and ask for such legislation as, in their judgment, would profit the community and be beneficial to insurance interests. There may be good reason for this. The burned child dreads the fire. At the same time the cause in which you are engaged requires courage in these matters. There may not be a successful defense made against a fraudulent claim. Bacon once said that "greater injustice is done in the name of the law than against the law." It affords no argument, however, against the courts, against the law, nor that the party against whom an unjust claim is made should not go to law in defense of his rights.

Again, Legislatures may not grant what is asked for. They may not thoroughly apprehend the benefits to be derived from such legislation, or they may be corrupt and prejudiced and thus refuse to grant the legislation. Legislatures may adopt unfriendly laws, may establish burdensome restrictions upon the business of the company. Insurance men may say our business can readily adapt itself to the conditions that are created in every community. The better the conditions, the less the hazard and the smaller the premium. The worse the conditions, the greater the hazard and the greater the premium. Each community pays the price of its own unfriendly legislation. The duty, admitting all this to be true, remains with the insurance fraternity, and it rests upon no one else, to see to it that proper effort, at least, is made to secure proper legislation.

No one understands the insurance business as do those who are engaged in it. No one is able to instruct legislators and to propose fair legislation except those who are engaged in the business. It is a business *sui generis*. It has its own laws, its own intricacies, its own difficulties, as well as its own advantages. Nobody understands these things as do the men who are engaged in the business. It follows, accordingly, that the duty and the responsibility of proposing fair legislation, of arresting unfair legislation and defending unfair claims, as well as paying fair losses rest primarily and ultimately upon this Association in the section of the country which you represent.

I hear some one saying, we grow weary in the effort. Our failures have been signal. Our successes have been few. Does it not occur to you that this is not courageous? Does it not occur to you that this is a failure to rise to the full measure of the responsibility devolving upon you as representatives of this great business?

This is not intended as a criticism. My observation of the men in control of affairs is that they are qualified and fully courageous to meet all the emergencies of their business. We have had in this country some great disasters. The burning of Chicago, the burning of Boston, the burning of Baltimore and other great conflagrations have been appalling in their extent. We have seen the men at the head of these great institutions meet the emergencies with credit and fidelity to the insured, as well as with fidelity to those who have their money invested in the business. I have found no men engaged in any business in this country broader-minded, more just, more courageous, more willing to do their whole duty than the insurance men of this country.

It is true, however, that all the work is not done. There are many things remaining for your energy and ability, fidelity and accomplishment. There are many States in this northwest territory that still retain upon their statute-books unfriendly legislation to insurance business. This should be corrected. There are many States that have not yet adopted the standard form of policy as the law of the State. There are many States where unjust burdens of taxation are imposed upon the insurance companies. This should be corrected, and can be corrected. It is not enough to say you are afraid to agitate for fear worse legislation than that which now exists will be had. If it is, it will soon be corrected. The end crowns the work. There should be no State in this Union permitted to retain upon its statute-books a valued-policy law. It is an inducement to crime. It increases the hazard of insurance and compels honest men to pay larger premiums for the hazard of their business than they would otherwise have to pay. And, as I have already indicated, the standard policy form should be made the law of every State in the Northwest. It is not

merely sufficient that these forms of policy are used in these States by the companies doing business therein. They should be made the law of the State. By making them the law of the State no one could plead ignorance of the terms of his contract. Unfair lawyers could no longer stand before juries and speak of the innumerable conditions in fine print that are found therein to mislead the unwary and to deceive the insured. The courts could no longer by their decision say, as some as have already said: "These contracts are prepared by the companies. They have been framed by lawyers skilled in the business. They have been prepared for the benefit of the insurance companies, and every construction, where a clause is subject to construction, should be put thereon unfavorable to the company. By this method, and by this method alone, it seems to me, can the insurance companies eliminate such expressions from the arguments of lawyers and the decisions of the courts. By this method, and this method only, are insurance contracts to be construed by the courts by the same rules of law and the same fair methods of construction as are placed upon other contracts of similar character.

THE LOCAL AGENT.

In dealing with the public, the local agent is the most important factor in the fire insurance business. He stands in the place of the company. Most courts have held that knowledge of the local agent is knowledge of the company. His representations are the representations of the company. The limitations upon his power in his certificate of appointment and set forth in the policy itself are ignored by the public and by most courts. Only recently the Supreme Court of the United States has held that the limitations of the powers of the agent as set forth in the policy are binding upon the insured, unless it be further shown that the managing officers of the company were advised of the facts that have come to his knowledge affecting the contract of insurance. This doctrine has not met with universal approval by the courts of the States. In some it has absolutely been rejected. In one State the Court of Appeals has said "this doctrine has become so firmly fixed in the jurisprudence of this State that, notwithstanding the decision of the Supreme Court of the United States, we think it should not be overthrown except by legislative action."

It is a doctrine vital to the security of the business of fire insurance and should become absolutely and permanently fixed in the decisions of our courts. We believe the enactment of laws in the different States making the standard form policy the law of the State would be a strong factor in bringing about this state of affairs.

While the local agent is the connecting link between the company and the insuring public and, therefore, an important factor,

in the years that are past he has been the weakness of the business. In many of the larger cities, we are glad to note, men of high business standing and responsibility are now representing the fire insurance business in their communities. This reform, however, has not reached the smaller cities and the country towns and villages where, often times, if not quite uniformly, the local agent is not entitled to the confidence reposed in him by his appointment as the local agent of a fire insurance company. He is often a justice of the peace, a constable, a bank clerk or a young lawyer, carrying insurance as a mere side line in his business.

As the representative of the company in the community, standing for the company, the position of the company is very largely determined in the mind of the insuring public by its local agent. These agents have no knowledge of the terms of the contract. They have no sense of responsibility connected with the execution of such contracts; no knowledge of the value of the property insured; no consideration for the moral hazard involved; no experience in insurance matters upon which to fix the rate of premium and, in many ways, they fall far short in ability, integrity and experience entitling them to such agency.

A young man just out of college, *ipso facto* an ignorant man so far as business experience is concerned, being under the necessity of making a sufficient sum from month to month upon which to live, and being unable to get it in the practice of law, seeks an insurance agency. The company, with a recklessness not to be found in any other line of business with which I am acquainted, puts into the hands of this young man fifty policies, with power to sign, deliver and bind the company for any sum that may be agreed upon between him and the insured. With these fifty blank contracts, seemingly inoffensive in themselves, he has power to bind the company and make it liable for an indebtedness of fifty, one hundred thousand—nay, even five hundred thousand dollars. Can any such custom be found in any other line of business? Could any merchant, banker, railroad man or other business man in the community do such things with immunity from loss and final failure?

A duty rests upon insurance managers to modify, if not absolutely to correct, this weakness. It is a duty owing to the insuring public in the larger cities, because in the insurance business every community must stand its share of the general taxation involved in the business of insuring the public at large.

The character of the local agent generally must be improved, his powers restricted, and his authority limited so that the more experienced general manager may come into closer contact with his business and have a better knowledge of the character of the property insured and the features of the contract which the company executes.

It is but natural that the interests of the local agent should be largely with the insured. Here he secures his patronage. His popularity with the people increases his business and his commissions. Liberal settlements by the companies, without too close a scrutiny into the character of the loss and the extent of the damage, make his company popular and, consequently, increase the prestige of the local agent.

It is one of the most difficult propositions the lawyer confronts in court in the trial of insurance cases. Can we rely upon the local agent? Is he full, frank and free in his testimony and dealings and will he tell the truth, the whole truth and nothing but the truth? Will he favor the insured in his testimony or will he be loyal to the company in whose employ he is?

You can always rest assured that the insured will have a full memory of everything that occurred in and about the transaction. He will remember all that was said and quite often much more than was said. He will remember the time and circumstances of the execution and delivery of the contract, and will remember every detail of that which occurred at and after the fire. His testimony will be certain, definite and positive.

To confront testimony of this character with the testimony of a local agent who does not remember clearly; who will say, "I think so" or "I do not recollect," does not give your case a very good standing with the jury. They are too often ready to overlook important matters and fail, in making their reports, to state the full history of the transaction and all of the knowledge they have with reference to the risk.

A local agent above the average visited the place of a fire where a stock had been burned. He learned upon this visit that the property, being chattel property, had been mortgaged, and thus the policy rendered void. He made a report of the loss to the company but failed entirely to state the fact which he had learned; that the property insured was encumbered by a chattel mortgage. The adjuster of the company went to the place of the fire, not having seen the local agent, and having had no conversation with him, and directed certain things to be done, which put the insured to loss of time and some expense. Afterwards, when the adjuster learned that the property was encumbered by a chattel mortgage, he denied liability, but the company was confronted with the proposition that it was estopped from denying liability by reason of the fact that after it had secured knowledge of the existence of the mortgage it had directed that the insured should secure his bills and invoices and get his property ready for appraisement. Thus the defense of the company was put in great jeopardy. In this case the Appellate Court of Indiana rendered an important decision to fire insurance interests, in holding that the knowledge

of the local agent which had not been communicated to the company was not the knowledge of the company, because the local agent had nothing to do with the adjustment.

This is a distinctive case. It is, however, one that is frequently occurring in the history of insurance litigation. We speak of it only to emphasize the fact that in the selection of local agents great care should be taken, because the standing of the company, its responsibility and its reliability is dependent very largely upon the character of the man who stands as its representative.

The strength of a chain is its weakest link. Looking upon the insurance business broadly, and taking into view all of its relations, it is my conclusion that the strength of the business of insurance is no greater than that which is represented in the character and ability of its local agents throughout the country.

Doubtless you will disagree with me, and I hesitate to disagree with those so experienced in the business. My experience, however, in my business for insurance companies, with juries, with courts, and before the Legislature, confirms my conviction.

General assemblies are made up of representatives from every county in the State. They are farmers, sometimes merchants, or doctors, or business men. They are usually men who have wide acquaintance in the communities which they represent. They know the people of their community. How often, in presenting the favorable side of insurance interests to committees and representatives, have I been confronted with the proposition that insurance companies are entitled to no consideration because of the character, or lack of character, of their local agents in the communities from which they come! How often have I lost verdicts by reason of the vacillating testimony of the local agent!

A stock of merchandise burned. It was encumbered by a chattel mortgage. The defense was based upon this fact. The insured insisted that the agent writing the policy knew of the existence of the chattel mortgage at the time the policy was written and delivered. The local agent could not remember whether anything was said upon the subject or not. Everybody knew nothing had been said. Everybody knew the representations of the insured were untrue, but everyone connected with the case knew that upon such testimony on the part of the local agent of the insurance company the company could not win a verdict, and the policy was paid.

From this gloomy view I wish to turn to the brighter side of the insurance business.

Indemnity is not a luxury. It is a necessity. The business of the community could not be carried forward with freedom and ease unless indemnity could be secured. It is the foundation of

business credit. It sustains mortgages; it sustains bank credit; it sustains mercantile credit. It gives confidence to business and makes exchange free and easy. It is a business that involves wide and universal knowledge on the part of those managing its affairs. It is not narrow in any sense. It is broad in every sense and broadening in its tendency. It liberalizes the mind; familiarizes those engaged in it with the affairs of other men, and gives them an intricate and profound knowledge of the motives governing business men in every community.

My contact with the business managers, special agents and adjusters has given me a very high admiration for their fidelity, integrity, business ability and fairness towards those with whom they deal.

It would be improper to speak personally of the many men of your Association who are still living, but I take this opportunity to speak of one of my best friends, with whom I early became acquainted, the late Judge Cary. Perhaps the fact that he had at one time practiced law and become familiar with the principles of law made a stronger impression on me than he would otherwise have done. How he hated wrong! How he detested injustice! How he loved fair play. The keenness of his perception, enabling him early to perceive the motives of men, to analyze their conduct and their purposes! He had a friendly hand for every honest man. He had a determined purpose to punish every dishonest man who undertook to injure him or the company which he represented. He was a man whom all honest men could love and whom all dishonest men who knew him feared. His loss to your Association is irreparable. His unexpected and deplored death came to him while in the performance of a high duty. A greater honor could come to no man than that which came to him in his death, his last utterance being in favor of the exercise of the high principles of the business, and in an effort to inspire in others the lofty principles which governed and controlled his own life.

On motion, duly seconded, a rising vote of thanks was extended to Mr. Chambers for his paper.

A recess was then taken until 2:30 P. M.

AFTERNOON SESSION.

THURSDAY, September 29, 1904.

The President called the meeting to order at 2:30 P. M., and called upon Mr. Kelsey, Chairman of the Committee to Nominate Directors, for his report.

Mr. Kelsey—

This is the first Board of Directors that has been nominated under the new Constitution, and the Committee thought it wise to make a statement to the effect that they have placed the President at the head of the list of Directors to serve for the ensuing year with the hope that this will create a precedent, and that hereafter all the retiring Presidents will be members of the Board of Directors for the ensuing term.

The following names were suggested as the Directors to be voted for:

H. H. FRIEDLEY, State Agent Insurance Co. N. A., Indianapolis, Ind.; FRANK A. MANNEN, State Agent Firemen's Fund Ins. Co., Minneapolis; JOHN SHEPHERD, State Agent Liverpool & L. & Globe, St. Louis, Mo.; GEO. A. ARMSTRONG, State Agent Aetna Ins. Co., Detroit, Mich.; R. W. KUHN, State Agent, Royal Ins. Co., Denver; J. J. JOHNSON, State Agent Niagara Ins. Co., Chicago; WAITE BLIVEN, State Agent American Ins. Co. of Pa., Chicago; FRANK A. MEINEL, Supt. Agencies London & Lancashire, and Orient Ins. Cos., Chicago; L. S. MACENANEY, State Agent Agricultural Ins. Co., Chicago.

The Committee's report was adopted.

There was some discussion as to the terms of the charter, and the President asked the Committee to look the matter up and report later.

The President—

We will now listen to the Obituary Reports.

[REDACTED]

The following Obituary Reports were then presented, each being adopted by a rising vote:

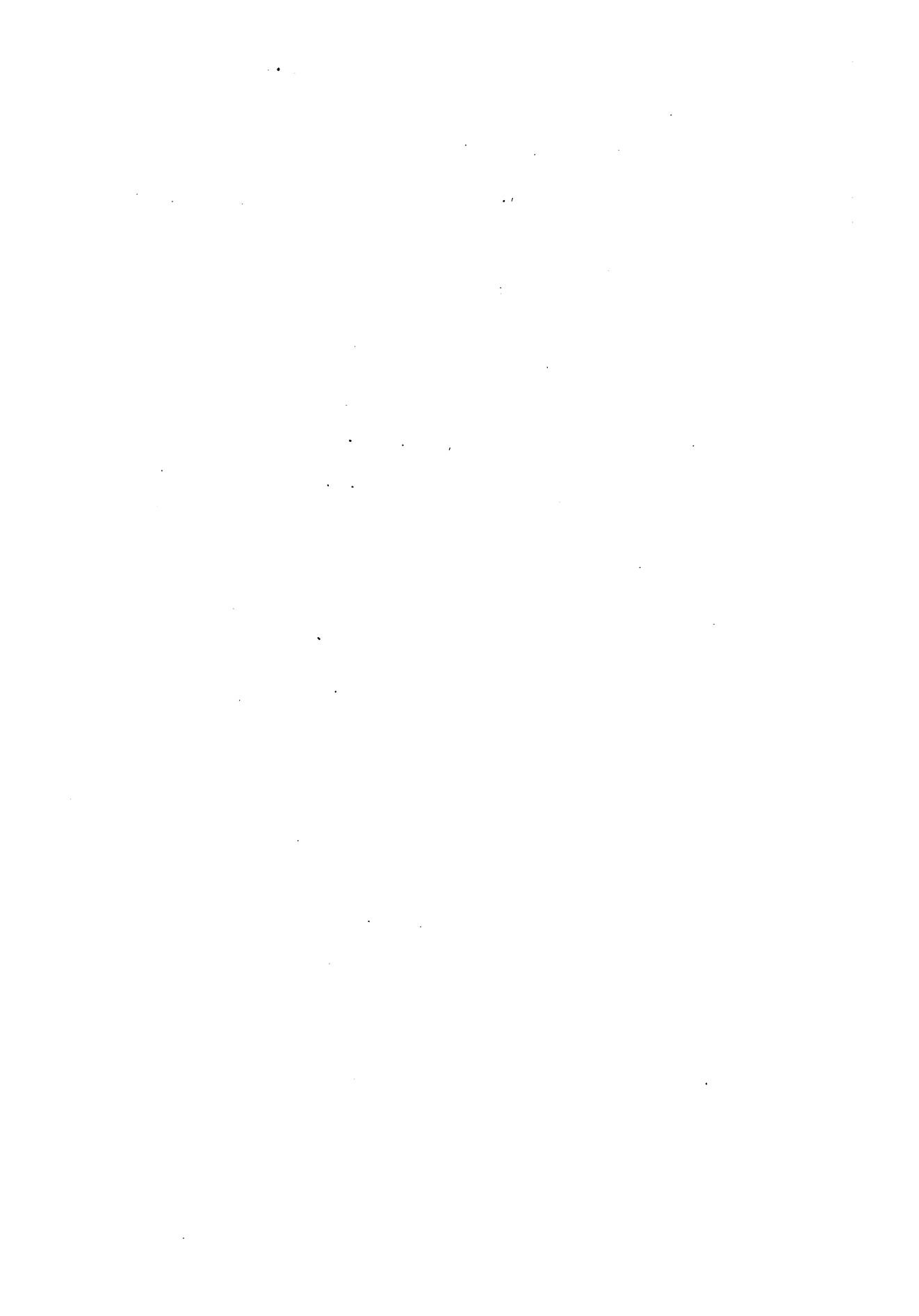
REPORT OF COMMITTEE ON THE DEATH OF
GEO. W. ADAMS.

Geo. W. Adams was born near Tiffin, Ohio, on the 31st of May, 1833, and received a common school education in that vicinity. He was employed on a farm until about eighteen years of age. His first business adventure was at Manitowoc, Wisconsin, where he engaged in the banking business. Here his health failed and he returned to Tiffin when about thirty years of age and engaged in the local insurance business. This was about 1860. He married Miss Rogers in 1863. In 1867 he engaged with the Home Insurance Company, of New York, as Assistant State Agent, under the late Charles W. Marshall. In 1869 he resigned this position and became the State Agent for Ohio, Michigan and Indiana for the Lorillard Insurance Company of New York. He remained in this capacity until after the Chicago fire, in 1871. On the organization of the Connecticut Insurance Company he became its special agent for the Western States and remained in this position until 1877, when he established himself as a general adjuster, in Chicago, and remained at this work until his death, which occurred on the 25th of December, 1903.

His home, during most of this time, was in Tiffin, where his wife, to whom he was devotedly attached, died about twenty years ago. After this he lived with his daughter, at the old homestead, having his office in Chicago. About five years ago his daughter was married and he came to Chicago to live.

Mr. Adams was a capable man in his business, and a man of unusually good judgment. His integrity was never questioned, and his personal character was above reproach. He was devoted to his family, and his love for his daughter was beautiful. He was the President of this Association in 1879.

I. W. HOLMAN,
L. J. BONAR,
Committee.



THE NEW YORK
TICKET COMPANY

100 BROADWAY
NEW YORK CITY



GEO. W. ADAMS.

In 19

1900

1901

Geo. W. Johnson

Child

Died Dec 21, 1901

Age 71



W. ADAMS.

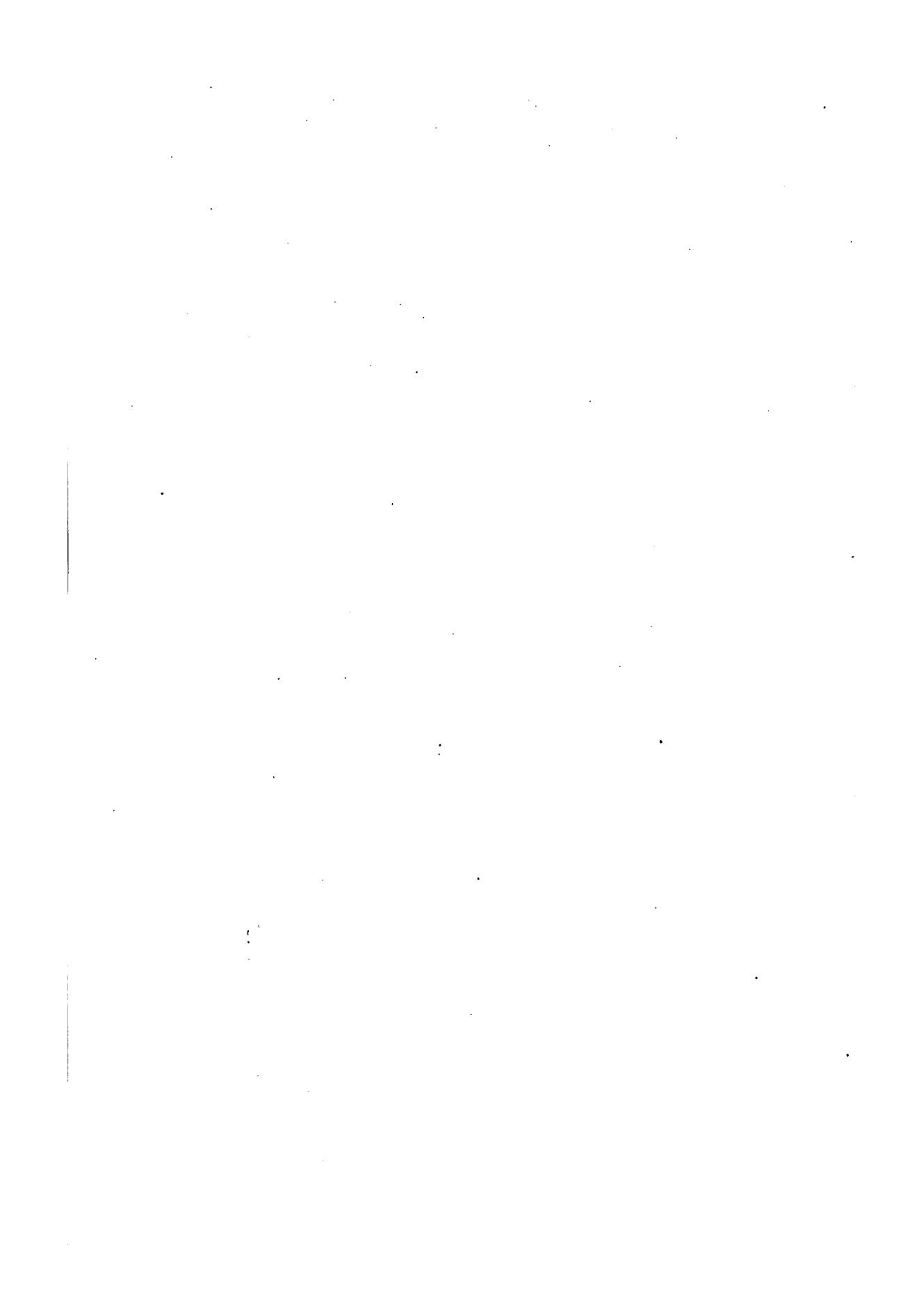
In Memoriam.

1903

Geo. W. Adams

Tiffin, Ohio.

**Died December 25, 1903
Aged 70 Years.**



REPORT OF COMMITTEE ON THE DEATH OF EUGENE CARY.

Judge Cary was brought up on his father's farm and his early education was such as the country schools furnished in those days. After leaving the farm he taught school for several terms.. Removing to the West he settled in Sheboygan, Wisconsin, where he read law under Judge David Taylor, late of the Wisconsin Supreme Court. Admitted to the bar in 1856 young Cary was appointed City Attorney soon afterward, and the next year, when he was twenty-two years of age, he was elected County Judge of Sheboygan County. At the beginning of the civil war he enlisted as a member of the First Wisconsin Volunteers and later attained the rank of Captain. He was a brave and gallant officer and saw much service both in the line and on the staff. He was Judge Advocate under General Rousseau and afterward aid-de-camp on the staff of General Thomas where he took a conspicuous part in many engagements, including the great battle of Chickamauga. At the close of the war he established his home in Nashville, Tennessee, where he was honored by being elected State Senator and afterward Judge of the Circuit Court, both of which positions he filled with marked ability. He subsequently became State Agent for Tennessee of the Aetna Insurance Company and thereafter was continuously in the insurance business until his death.

Judge Cary was appointed Manager of the Imperial Fire Insurance Company of London in 1871 and organized the Western Department of that company in Chicago. When the Imperial practically discontinued general agency work in 1873 he was appointed Western Manager of the German-American Insurance Company of New York and was eminently successful in building up a great business for that institution, which will long remain as a monument to his ability and earnest purpose.

In 1883 Judge Cary was a candidate for Mayor of Chicago and was supported by the best elements in both parties, and was probably elected to that office, but counted out by the disreputable ring which then had control of the election machinery.

In the same year he was elected President of the Union at the Saratoga meeting. During the years 1890-91-92 he served successively as Junior and Senior Vice-Commander and Commander, and at the time of his death was a member of the Commandery-in-Chief of the Loyal Legion; was President of the Union League Club in 1900 and President of the Commercial Club of Chicago in 1902. His name first appears as a member of this Association at the Detroit meeting, July 17th, 1872, which he attended. His first service was on a special committee to revise the Constitution and By-Laws of the Association. The report of this committee was

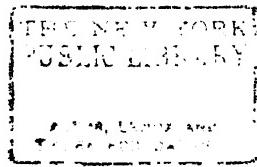
adopted unanimously at the Chicago meeting September 18, 1872. He became a member of the Executive Committee at the Milwaukee meeting, July 17, 1873. On several occasions his name was presented for President of this body, but his habit of preferring others, generally field men for that office, led him in a quiet way to decline the honor.

Judge Cary exemplified in his life and work the highest standard of the American citizen. He recognized that the issues of good government and social order here depend on the character, conviction and work of the individual citizen; and he felt and met these responsibilities and the sacrifices they called for. He carried the same high standards into his business life, in which he was eminently successful, and won the esteem of his associates and competitors. He was distinguished for his devotion to everything that was right. He was honest, honorable and upright in all his dealings. He loved the truth for the truth's sake and despised shams. His genial personality and great ability always marked him as a leader of men. There was a charm in his conversation and manner which made him most welcome on all occasions.

In the death of this eminent citizen our profession has lost one to whom, in a greater degree, perhaps, than to any other of his generation, it is indebted for valuable services, and our Association is called to mourn the loss of a beloved companion and true-hearted friend. Reverently, we pay this feeble tribute to his memory and as fellow-mourners tender our sincere sympathy to his family.

I. S. BLACKWELDER,
J. S. BELDEN,
H. C. EDDY,

Committee.





EUGENE CARY.

In Memory of

1903

Eugene Cary

Chicago Illinois

Died November 22, 1904

Buried at Glenview



EUGENE CARY.

In Memoriam.

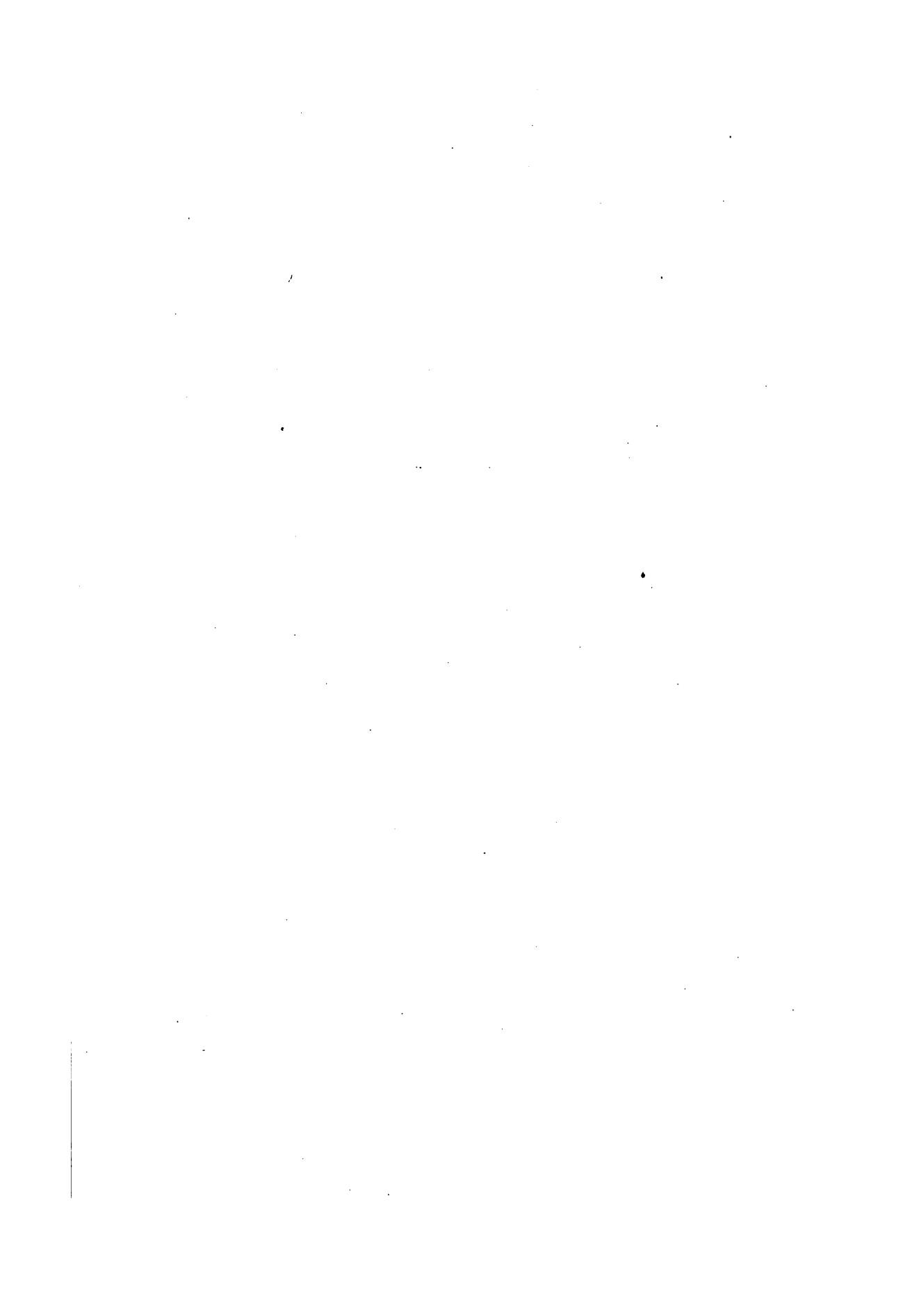
1904

Eugene Cary

Chicago, Illinois

Died March 22, 1904

Aged 69 Years.



REPORT OF COMMITTEE ON THE DEATH OF
JAMES CROMER.

This Association, in annual gathering, nobly and lovingly pauses to give expression to its sorrow and sympathy as, one by one, the members pass from its roll to that of the radiant hosts of the Beyond. It is a beautiful custom, and we do ourselves honor in its observance. The public records of the Association include many pages of gracious tribute to the lives of those, our brothers, who await our coming in the "Sweet By-and-By." The Association has been fortunate in having had a large majority of these departed ones many years upon its rolls, and the public proceedings from year to year bear abundant testimony to the valuable service they rendered.

Today we stop for a few moments to express our sorrow and our profound regret that one has been called whose young life gave much promise of usefulness; of recent membership, yet equipped for service as a veteran, and ambitious to prove himself worthy of his place among us.

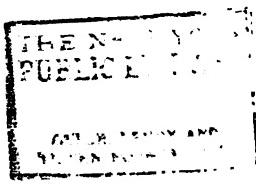
James Cromer was born the fifth of June, 1880, in Fredericksburg, Indiana. He died the 31st of July, 1904, in New York. At the age of four years he came with his parents to Indianapolis, where in the following years, and with honor, he passed through the public schools. From the high school he entered Princeton University and completed a full course of study, bearing away the testimony of the University for faithful work and high scholarship. After college he entered the employ of the Home Insurance Company at its home office. Later he was assigned to the field. In each place he disclosed an ability of a high order.

The dominant note of this young man's life was "Onward,"—progress; and he rapidly advanced from the elementary lessons to the deeper truths of the profession he had chosen. With a well determined life purpose, of natural and trained ability of an unusual kind, of noble instincts, pure of character and gentle of heart, he gave assurance of a broad and brilliant career. A student of students, his intelligence was wide and his aims high. He approached his earthly end as would one of vision and of courage, knowing full well that there awaited him a triumphant entrance to the life yet more glorious. It is, therefore, fitting that this Association place upon its records its final tribute of praise and love to his memory.

H. H. WALKER,
JOHN C. INGRAM,
D. A. RUDY,
Committee.

CHICAGO, September 28th, 1904.





45.



JAMES CROMER.

In Memoriam

1904

James Cromer



JAMES CROMER.

In Memoriam.

1904

James Cromer

Indianapolis, Ind.

Died July 31, 1904.

Aged 24 Years.



REPORT OF COMMITTEE ON THE DEATH OF
JEROME B. HALL.

Jerome Bonaparte Hall was born in Chemung County, N. Y., February 22, 1835. When two years of age, his family moved to Pennsylvania, where he was educated at Dickinson Seminary. In 1860 he moved west and in 1863 entered the insurance business in Iowa.

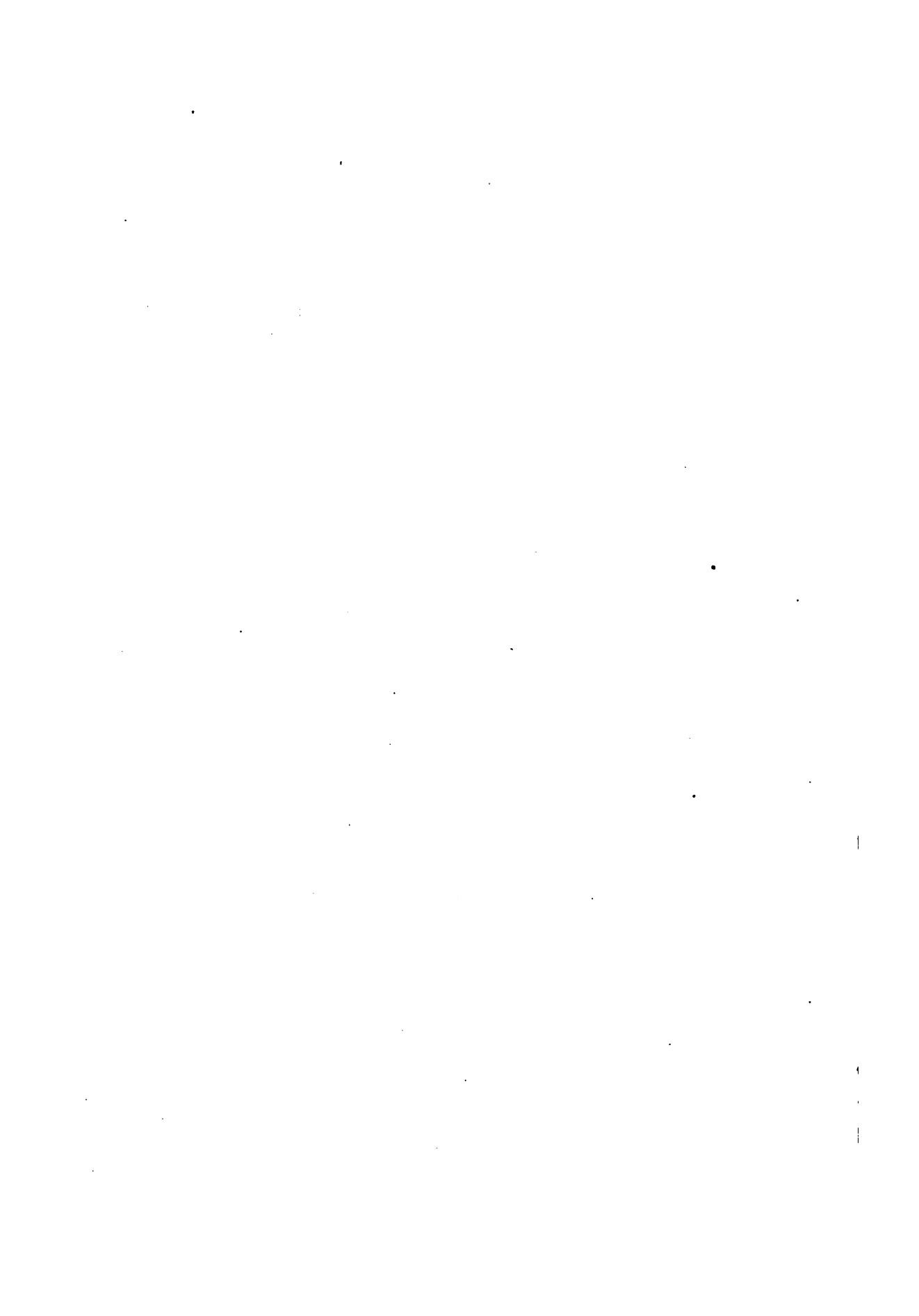
In June, 1871, he was married to Miss Clara E. Stratton of Rockford, Ill.

On October 11, 1871, while the great Chicago fire was yet burning, he accepted the position of special agent and adjuster of the Girard Fire and Marine Insurance Company, which position he held at the time of his death, February 18, 1904.

Mr. Hall was for many years an active member of the Fire Underwriters Association of the Northwest and on September 29, 1903, was by unanimous vote of the Association, elected an honorary member.

Sterling integrity marked his every act and won for him the respect and confidence of all with whom he came in contact.

H. W. WHITE,
J. L. WHITLOCK,
H. H. HEAFORD,
Committee.



THE NEW YORK
PUBLIC LIBRARY

ABT JR., LENOX AND
TILDEN FOUNDATIONS



J. B. HALL.

Jan 27 1984

Jerome

East 12th Street, 1984

10:00 AM



J. B. HALL.

In Memoriam.

1904

Jerome B. Hall

Chicago, Illinois

**Died February 18, 1904
Aged 71 Years.**



REPORT OF COMMITTEE ON THE DEATH OF
HENRY M. MAGILL.

At Frontenac, N. Y., on the evening of the 22d of this month, there was summoned suddenly from this life a man, who, up to his retirement from active business in the winter of 1901, had been recognized as one of the foremost of underwriters, he having earned by nearly half a century of earnest, forceful work undoubtedly right to the title of a leader among leaders and a peer among peers bestowed on him by President Skilton of The Phœnix of Hartford, in a circular announcing to the agents of the company the resignation of the General Agent of the Western Department, Mr. H. M. Magill, in words teeming with tribute to his untiring energy, his surpassing ability and his broad-minded judgment.

When Mr. Magill was called to face the great change that comes to all he was the guest of honor at a banquet following the meeting of the Western Union, an underwriters' association which was largely instrumental in organizing and which he faithfully fostered and loyally aided in developing into the great and growing influence for all that is sound and conservative and good in every way that it stands for today. The eventful banquet of September 22, 1904, was to commemorate its 25th anniversary, and Mr. Magill was addressing his old-time associates happily and brilliantly, as was his wont, when, wrapped in their plaudits telling how deeply he had stirred their hearts, he passed, without warning, into the mystery beyond the veil that enshrouds the future from the eyes of mortal man.

What better monument could varied circumstance combine to build—what fitter ending to a life spent in his chosen work to such good purpose? While it grieves us to the quick that the parting should come so soon, we doubt that, had he known its near approach and been allowed to choose the way, he would have had it otherwise.

Henry Mervyn Magill was born in Sligo, Ireland, July 8th, 1836, died at Frontenac, N. Y., September 22d, 1904. At the time of his death his residence was at Pasadena, Cal., where, shortly after being driven from active work in 1901 by failing health, he built a home.

He was married at Batavia, N. Y., in 1859 to Miss Sarah Ellicott of that place, and leaves a widow, four sons and one daughter.

He began his business career as clerk in the Cincinnati General Agency of the Protection Fire Insurance Company of Hartford, Conn., in the 50's; was special agent for the Aetna Insurance Company under J. B. Bennett for a year or two prior to 1857; March 1st, 1857, the Western Department of the Phœnix of Hart-

ford was established at Cincinnati, Mr. M. Magill, his father, being appointed general agent; on that date Mr. H. M. Magill was employed as "Traveling Agent of the General Agency at Cincinnati"; June 1st, 1860, M. Magill resigned and was succeeded by his sons R. H. and H. M. Magill, General Agents; August 15th, 1863, the co-partnership was dissolved by mutual consent and H. M. Magill became sole general agent; January 31st, 1901, he resigned and the following memorandum may be seen upon the desk which he occupied for so many years:

"I began with the Phoenix, March 1st, 1857.
Closed my connection, January 31st, 1901,
in peace and harmony. 43 years, 11 months."

For nearly 44 years he stood at the helm of the Western Department of The Phoenix as its general agent and no name was better known from the Alleghany to the Rocky Mountains and the Great Lakes to the Gulf of Mexico.

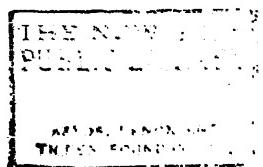
For upwards of twenty years, within our knowledge, he was a member of this Association.

He stood high as a Mason, having been twice chosen Master of his lodge, the members of which rendered formal honors to his memory at Spring Grove Cemetery, Cincinnati, O., after services at Grace Episcopal Church, Avondale, on Sunday afternoon, September 25th, 1904.

May God comfort his bereaved family, to whom, as a cherished husband and an indulgent father, he was inexpressibly dear, and bring also the balm of resignation to the many, many friends who held him in high esteem as a man to honor and to rejoice in and to love.

H. H. HEAFORD,
GEO. M. LOVEJOY,
G. W. LAW,
H. H. WALKER,
A. F. DEAN,

Committee.





H. M. MAGILL.

The Standard

Henry M. Magill

Cincinnati, Ohio.

THE STANDARD

HENRY M. MAGILL



H. M. MAGILL.

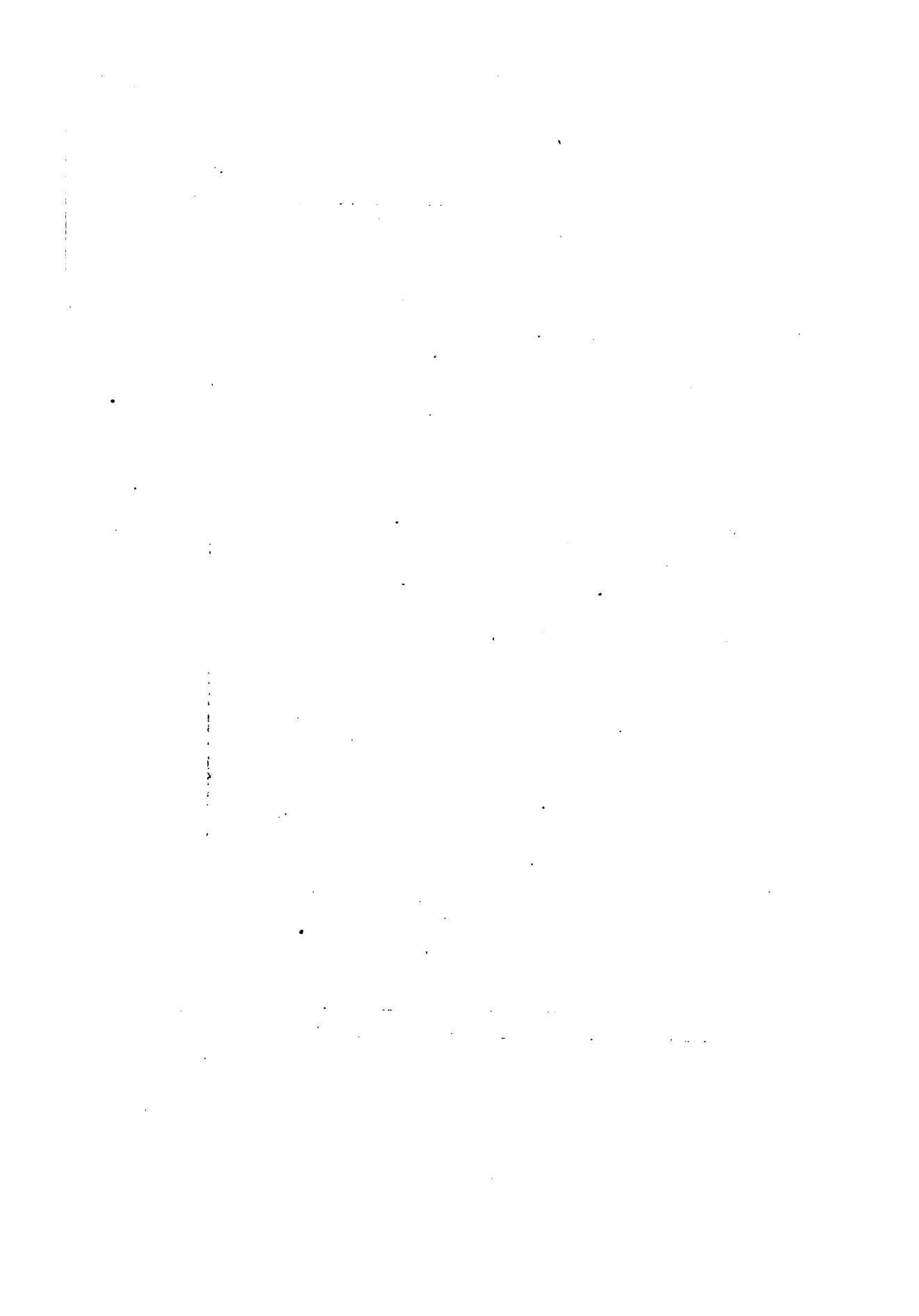
In Memoriam.

1904

Henry M. Magill

Cincinnati, Ohio.

**Died September 22, 1904
Aged 68 Years.**



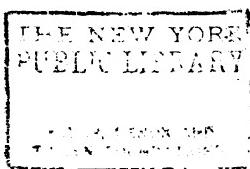
**REPORT OF COMMITTEE ON THE DEATH OF
DANIEL CONDIT OSMUN, JR.**

The Far West mourns the loss of one of the young members of this Association, Daniel Condit Osmun, Jr., whose untimely death at Denver the day following Christmas of last year shocked us all. Mr. Osmun was in his forty-first year, having been born in New York City on April 18, 1863. He was a son of "Uncle" Daniel C. Osmun, so well known to us all and who still serves the great interests of fire underwriting. It was in his father's service that young Osmun first had his insurance experience. In 1880 he entered the Chicago department office managed by his distinguished father and soon won his spurs under a critical master, less disposed to accord him advancement than would have another not linked by family ties. For many years young Osmun followed field work with great honor, the last ten years of his life having been spent in the Rocky Mountain territory. At the time of his death he was doing independent adjusting work, having but a short time before resigned his position as special agent of the London and Lancashire and Orient.

Those who knew young Osmun called him "Danny." He unaffectedly radiated kindness and everybody loved him. His nature was that of a jolly hearted boy. In Masonic circles and in social life Osmun stood at the top. In everything that makes for ideal companionship he realized the fullest possibilities. His death is a loss to underwriting interests and those who knew him mourn sincerely.

J. F. EDMONDS,
F. M. AVERY,
J. W. BAILEY,
Committee.







D. C. OSMUN, JR.

Dan



DR. C. COSMUN, JR.

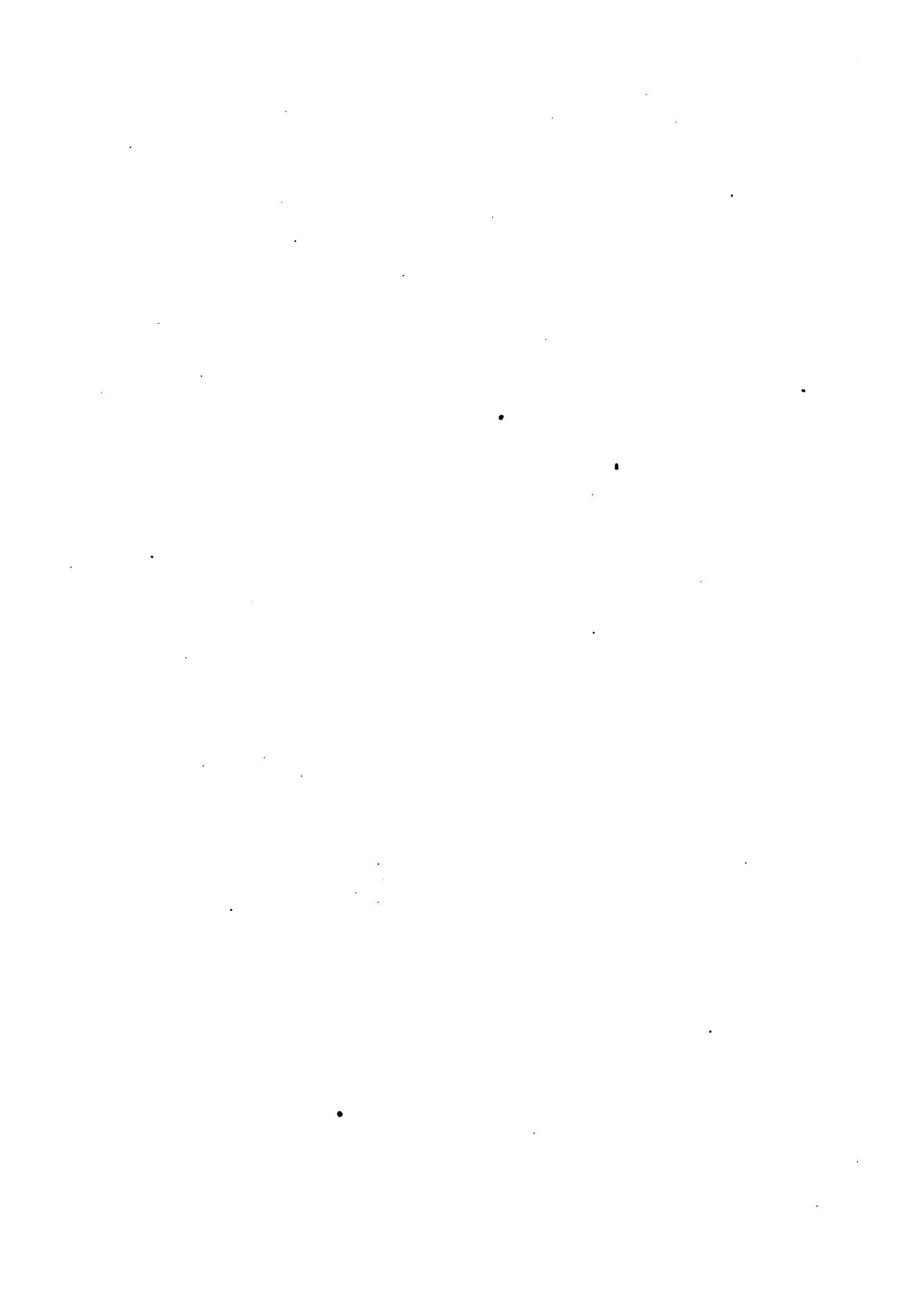
In Memoriam

1903

Daniel C. Osmun, Jr.

Denver, Colorado

**Died December 26, 1903
Aged 40 Years.**



**REPORT OF COMMITTEE ON THE DEATH OF
A. F. TOWNSEND.**

Between the date of his birth, May 9th, 1834, and the date of his death, February 13th, 1904, lies the span of life allotted to our departed friend and fellow member, Adam Fries Townsend. This biblical allotment of three score years and ten, so nearly fulfilled, was a life career which, in relations of friendship, intimately touched, and in point of business pursuit, ran closely parallel with the lives of many members of this Association.

Reared as a boy in the city of Philadelphia, the place of his birth, and educated at Pennington Seminary in New Jersey and Dickinson College in Pennsylvania, the educational bent of his nature led to his choice of the teacher's profession, and he entered life's active service as superintendent of schools at Dubuque, Iowa, where he organized that city's system of graded schools. Later he undertook and accomplished a similar school work at Galena, Ills. While success had crowned his work as an educator, and while his chosen profession proved fully congenial to his intelligent spirit, it soon appeared that the sedentary conditions of his vocation were detrimental to his physical wellbeing. So he reluctantly changed the direction of his life energies from a professional sphere to the business arena, by engaging in the insurance work in the employ of the Western Manufacturers Mutual Insurance Co. About four years later, he was appointed special agent of the Northern Assurance Co. of London, serving the interests of said company with unflagging faithfulness for the long period of 21 years, and up to the fatal day when, while on duty's errand, the sad accident overtook him, which hastened on his mortal hour. He fell at duty's post. While at the office of the East St. Louis representative of his company, he accidentally fell and fractured the bone of his thigh. To the misfortune of this event, in itself, was added the sad necessity of his detention from the tender surroundings of his own home, and his removal to the Henrietta Hospital at East St. Louis. Apparently prompt reparation of the injury followed. But this inspiration of hope was suddenly blighted and gave place to a lowering cloud of gloom which hung over us at the announcement of his sudden death.

In his physical personality, comparatively frail; in mental equipment, vigorous and strong; in social relations, courteous, genial and generous; in business association, honorable and just; in domestic life, the loved and honored head of an ideal home; in moral stature, a tower of strength, a Christian man, dispensing none but salutary influence to his fellows—we accord to him, most sincerely, the tribute of our highest respect. While our

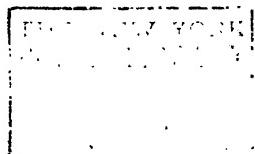
earthly friendship with him has been broken, we will always associate with his memory the sentiment of regard for his upright life and example, and we tender to the stricken ones of his family the assurance of our fellow feeling and sincere condolence.

H. H. RASSWEILER,

R. S. ODELL,

W. J. SONNEN,

Committee.





A. F. TOWNSEND.

201. 1980-1981

THE PRACTICAL USE OF THE PRACTICAL.



A. F. TOWNS, N.Y.

In Memoriam

1904

A. F. Townsend

Chicago, Illinois

**Died February 13, 1904
Aged 70 Years.**



REPORT OF COMMITTEE AS TO BOARD OF DIRECTORS. 157

Mr. Griswold—

Before introducing a new topic I would like to say in relation to an individual who has been mentioned, not that I have not sympathy and the widest love for all those who have died in the service of insurance, but I have in mind one young man, Mr. James Cromer, of Indiana. It has been my fortune, and perhaps my pleasant duty to attempt to instruct the younger members of the profession in those things which in my life time of service I have learned, and of all the young men it has been my province to meet, Jim Cromer has come the nearest to satisfying my ideal of any of them. He was a good man, who had just started on his career, and I would like to pay my personal tribute to him.

The President—

We are glad to have a personal tribute from one who knew Mr. Cromer so long in his life work.

[REDACTED]

We will now listen to the report of the Committee as to the Board of Directors.

Mr. Kelsey—

After the point had been raised regarding the charter I went to the telephone and called up Mr. Harding, of Bates & Harding. Mr. Harding says there is no required number of the directors who must reside within the State of Illinois.

It was moved and seconded that the report of the Committee be received and adopted.

After considerable discussion the motion prevailed.

The President—

The next order of business is the election of officers. As stated heretofore it is unnecessary that these be from this august body of directors that has just been nominated. Nominations for your President for the ensuing year are now in order.

Mr. John Marshall, Jr.—

Mr. President, and Gentlemen of the Fire Underwriters' Association of the Northwest: I esteem it a great privilege to be permitted at this time to place in nomination for the office of President of this Association one of our fellow members.

According to an unwritten law, this is what is called a managerial year, and following the custom that has prevailed for many years past the probabilities are that the nominations at this time for the office of President will be confined to those occupying the position of manager.

The gentleman whose name I will present is now occupying the position of manager of one of the largest and best managed fire insurance companies doing business in the country today. He has been in the business a great many years, and has occupied every position from that of office boy up to that of manager, as well as spending a great many years in the service of companies as a local agent. In every position to which he has been called he has done his work faithfully and well. We all esteem him and love him as a friend and a brother. He has always been known to tote fair and square with his competitors. He has ever been ready with his aid, with his help and with his influence to advance the interests of underwriting, in the pursuit of which we are all engaged at the present time.

I also feel safe in saying that he has endeared himself to the many State and field organizations, and I also feel in saying that there is no manager today who has ever attended more meetings, and been present on so many occasions when the field men have met together than the gentleman whose name I will submit presently.

Those of us who have had the privilege of being present on the occasion of these meetings, and of the state board meetings, and field men's organizations, can look back and feel with a great deal of satisfaction that we have always felt better for being there and listening to the bright and happy remarks of the state agent, and when he had a point to bring home to us, to emphasize, he would always bring in one of those delightful "Casey Stories," and we always felt better for hearing them, and wished we could hear more.

Gentlemen, I will not take up your time longer. Undoubtedly you know to whom I refer, and I have therefore very great pleasure in presenting to you for your consideration at this time the name of Mr. Thomas E. Gallagher, of Cincinnati, O., the general agent of the Aetna Insurance company. (Applause).

Mr. Stafford—

Mr. President, and members of the Association: In behalf of myself and a great many of my friends I take pleasure in seconding the nomination of Mr. Gallagher.

Mr. Cofran—

The work Mr. Gallagher has done for this Association has shown him to be a stalwart in every sense of the term. After the very able and happy presentation of his name by the gentleman who preceded me it does not require any indorsement or urging of mine, and I take great pleasure in seconding the nomination of Mr. Gallagher. Mr. President, perhaps I may be excused

for reminding you that on occasions of this kind Irishmen always stand together. If I have received the right tip, Mr. Gallagher's election will be unanimous.

Mr. Kelsey—

It is with a feeling of special pleasure that I second the nomination of Mr. Thomas E. Gallagher. I am sure that he will conduct the affairs of the Association with great credit to himself and honor to us. He is from a great State, and from a State that has a great loss ratio. I hope that when he gets to be the great president we expect him to be, that he will stop the great loss record which his beautiful city has.

Secretary Wagner—

Mr. President, if there are no other nominations I move that the rules be suspended, and that you, sir, cast the unanimous vote of this Association for Mr. Gallagher as President of the Association for the ensuing year.

The motion was duly seconded and the President cast the ballot, as directed, declaring Mr. Gallagher to be elected President.

On motion of Mr. Marshall, the President appointed a committee of three, consisting of Mr. Dick Harvey, Mr. Thomas H. Smith and Mr. John Marshall, Jr., to escort Mr. Gallagher to the chair.

President Friedley—

Gentlemen of the Association, it is my great pleasure to introduce to you your President for the ensuing year, Mr. Thomas E. Gallagher.

Mr. Gallagher was greeted with applause, and spoke as follows:

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

I fail to find in the English language words with which to express my appreciation of the very high honor that you have conferred upon me today. If I were to express my feelings in Irish or German (Laughter)—which I could do, I am afraid there are a great many of you that would not understand me. I want to say that it is a great honor to any man, no matter how prominent he may be in our profession, to be made President of this organization, and it seems strange that I should have had this honor given to me. I am one of the comparatively young members in point of service, have done nothing to deserve it, and assure you that I appreciate it more than words can tell. If I can only keep within hailing distance of the many strong, able and illustrious underwriters that have preceded me in the posi-

tion, I will feel that I have done all that you can reasonably expect. Gentlemen, I thank you most sincerely, from the bottom of my heart. (Applause).

The President—

The next in order is the nomination for Vice-President. Whom do you wish for your Vice-President?

Mr. Hubble—

Mr. President, in order not to delay the proceedings I will look around over the audience, and see if there is a man that looks anxious for this office.

I see a friend sitting here, gentlemen, who deserves recognition from this body, and I think he is in a receptive mood. He is a man well known to all of us, and I believe will fill the office with credit to himself and to his fellow members. I wish to place in nomination my very good friend and an esteemed member of this Association, Mr. S. D. Andrus, of the Providence-Washington Insurance Company.

The motion was seconded.

Mr. Hubble—

I move that the rules be suspended, and the Secretary instructed to cast the unanimous ballot of this Association for Mr. Andrus.

Mr. Heywood—

I would like to place in nomination another name for Vice-President, that we may at least have the interest of an expression on more than a single candidate.

In the wilds of Nebraska, since prairie dogs were made, J. M. Richards has been going about and endearing himself to every woman, man and child beyond the Missouri river that has had the pleasure of meeting him. I would like to see him made the next Vice-President of this Association, and I believe that the great majority of the members—and everybody knows him—will unite with me in voting for old Joe.

Mr. Hubble—

I will withdraw my motion.

The nomination of Mr. Richards was duly seconded, and on motion the nominations were declared closed.

Mr. Richards—

I want to say to you that since the motion was made that it be unanimous in favor of Mr. Andrus, and was seconded, however much I might like to associate with so good a friend as Mr. Galla-

gher in conducting the proceedings for the coming year, I think the honor now, since we have gone so far, would be more than my frail constitution could bear. I am in favor of it being made unanimous in favor of Mr. Andrus, and I withdraw kindly, but firmly.

Mr. Hubble—

I renew my motion to close the nominations, the Secretary to cast the unanimous ballot of the Association for Mr. Andrus.

The motion was seconded.

Carried.

Mr. Andrus—

Mr. President and Gentlemen of the Association: I do not know what inspired my good friend Hubble to pick me out in this vast aggregation of talent, and if Mr. Richards had just given me an opportunity I would have withdrawn in his favor. This is an honor that I did not look for, nor expect, but inasmuch as you have chosen me to be associated with our good friend, I accept the honor and will do my best to assist him in making his administration a successful one. I thank you very much.

The President—

The next in order is the election of a Secretary.

Mr. Dyke—

Gentlemen, I will simply state that great honor has been conferred upon me by being permitted to make the nomination speech for the gentleman whom I am about to name for Secretary of this Association for the ensuing year. In the language of our esteemed President I am unable to express my appreciation in good English of this honor, but gentlemen, you will readily endorse these sentiments when I present the name of the gentleman. The gentleman whose name I am about to present is, without exception, the peer of anybody we can select. He is a representative field man. He is a representative of a representative company doing business in all parts of the world. He is a broad gauge man. He possesses the attributes of a perfect gentleman. He is a man who is especially fitted for the particular duties of Secretary. Now, gentlemen, I do not care to say anything further, but I feel thoroughly convinced that every man here will endorse every sentiment I have advanced and will take great pleasure in electing this man.

It is my great pleasure to present to this Association the name of Nelson E. Briggs, State Agent of the North British and Mercantile, for the State of Illinois, to act as Secretary for the ensuing year.

Secretary Wagner—

I know Mr. Briggs. I know he is a worker. There is a good chance for him here. I would like to see him try his hand, and I take great pleasure in seconding the nomination of my friend, Mr. Briggs.

Mr. Cate—

Of course it doesn't look very well for one North British man to endorse another— — —

The President—

They don't usually do it either. (Laughter).

Mr. Cate—

I thank you very much, but this is one of those peculiar cases where a North British man will endorse another one. There has been so much said about Mr. Briggs, and you all know him so well that it is useless for me to say more than that I most heartily endorse the nomination of Mr. Briggs, and I trust the vote will be made unanimous.

Mr. Griffith—

I move the Secretary be instructed to cast the unanimous vote of the Association for Mr. Briggs.

The motion was duly seconded and carried.

Mr. Briggs—

Mr. President and Gentlemen of the Fire Underwriters' Association of the Northwest: To those of you who have never been a candidate for office I would recommend you to try it. I am inflated—a little chesty. I believe now that I could have been elected President. I want to thank you gentlemen, all of you, most heartily for this honor. I shall do my utmost to serve you well and faithfully. Let me again thank you for this high honor. (Applause).

The President—

The next order of business is the election of a Treasurer.

Mr. Verner—

I move you the rules be suspended, and the Secretary be directed to cast the vote of the Association for Mr. Townley, for Treasurer.

The motion was seconded and carried.

Mr. Townley—

I don't know positively what it is I have been elected to, but I presume it is Treasurer. I have been taking money, and I

couldn't hear these great speeches, and I don't know what has been said, but I will do as the gentlemen stated, whatever it was. (Laughter). I will try to take as good care of your finances as possible. I hope that with the Library Committee and the Treasurer working together we will have a library next year that you will all be proud of. I thank you, gentlemen, for the honor you have conferred upon me.

Mr. Lovejoy—

We have had a splendid meeting of this Association, and it seems to me that we ought not to adjourn without expressing our appreciation to the man to whom credit is due. I move you that the Secretary of this Association cast the vote of the Association expressing its thanks to Mr. Friedley for the splendid program he has prepared for this meeting.

The motion was put by Secretary Wagner, and a rising vote of thanks was extended to President Friedley for his efforts in behalf of the Association.

The President—

I assure you I appreciate it very much, but there is one thing I think is due you. I think the thanks of the Association are due to the speakers who have at great expense and labor favored us with papers, and also to the members for their careful consideration given these papers.

Mr. Hatfield—

I desire to make a motion, that this Association express to the retiring Secretary its thanks for his efficient services rendered to this Association during the past year.

The motion was seconded.

A rising vote of thanks was tendered Secretary Wagner.

Secretary Wagner—

I shall ask the privilege of saying a few words to you. First of all, I want to thank you very kindly for the vote of thanks. I want to say to you that there is no man who starts in to fill the position of Secretary of this great Association that appreciates what he undertakes. I know I did not when I started, and I don't believe Mr. Briggs does. He needs the help of everyone, and then he will have a hard time. It means hard work, and in order to get the success we expect, it needs the help of every individual. I want to ask everyone of you when you change your company connection or Post Office address, to immediately drop a card to the Secretary and the Treasurer. It will help them very greatly in the performance of their duties, and will keep the records

more complete. You can all be of great service. I thank you all for the many kindnesses that you have extended to me in the years that are past. (Applause).

On motion of Mr. Andrews, duly seconded, the thanks of the Association were extended to the managers of the Auditorium for the use of the banquet room.

A vote of thanks was then extended to every speaker for the papers presented at the meeting by them, and the Secretary was instructed to transmit the same to the different speakers.

On motion, the Association then adjourned sine die.

BOARD OF DIRECTORS MEETING.

THURSDAY, September 29, 1904.

Present—Thos. E. Gallagher, Nelson E. Briggs, W. R. Townley, Geo. A. Armstrong, Frank A. Mannen, L. S. MacEnaney, Waite Bliven, S. D. Andrus, Jno. Shepard and H. H. Friedley.

The meeting was called to order by the President, Mr. Thos. E. Gallagher.

The President—

The first order of business is to approve the action of the Association regardiing the election of officers.

Mr. Townley—

I move that the Secretary be instructed to cast the ballot of the Association for the election of Thos. E. Gallagher as President of the Fire Underwriters' Association for the coming year.

Motion seconded and carried.

Mr. Friedley—

I move that the election of Mr. Andrus as Vice-President be approved by the Directors.

Motion seconded by Mr. Bliven, and carried.

Mr. Friedley—

I move that the Secretary be instructed to cast the ballot of the Association for the election of Mr. W. R. Townley as Treasurer of the Association for the ensuing year.

Motion duly seconded by Mr. Mannen, and carried.

On motion of Mr. Bliven, seconded by Mr. Andrus, Mr. Nelson E. Briggs was declared elected as Secretary of the Association for coming year.

Mr. Townley—

The next order of business is the election of a Finance Committee, which is usually composed of three members, residents of Chicago.

Mr. Mannen—

I move that the Secretary be instructed to cast the ballot of the Board of Directors for the appointment of Mr. Bliven; Mr. Andrus and Mr. MacEnaney as the Finance Committee.

Motion seconded by Mr. Friedley and duly carried.

On motion of Mr. Townley, duly seconded by Mr. Armstrong, the question of compensation of the Secretary and Treasurer was laid over until the next meeting of the Board of Directors, and until after the appointment of a Librarian.

Mr. Bliven—

I move, Mr. President, that the Secretary be authorized to have 1000 copies of the proceedings printed to be distributed in accordance with the usual custom.

Mr. Bliven—

I move that the President appoint a Library Committee of such number as is regular—I believe five.

Mr. Townley—

Mr. President, and gentlemen, I believe that the best interests of the Association will be served by retaining Mr. King as Chairman of that Committee. He has the matter well in hand, is a most excellent man for the business and I believe he would appreciate it.

Mr. Friedley—

I move that the President be authorized to appoint the Committee and afterwards notify the Secretary.

Motion seconded and carried.

Mr. Townley—

Now there is one other committee in connection with the Library, and that is one to solicit funds for the Association.

Mr. Friedley—

I move that that be left to the President.

Mr. Friedley—

I move that the meeting adjourn subject to the call of the President.

Whereupon the meeting adjourned.

At a subsequent meeting of the Board of Directors held October 24th, 1904, the following unfinished business was disposed of.

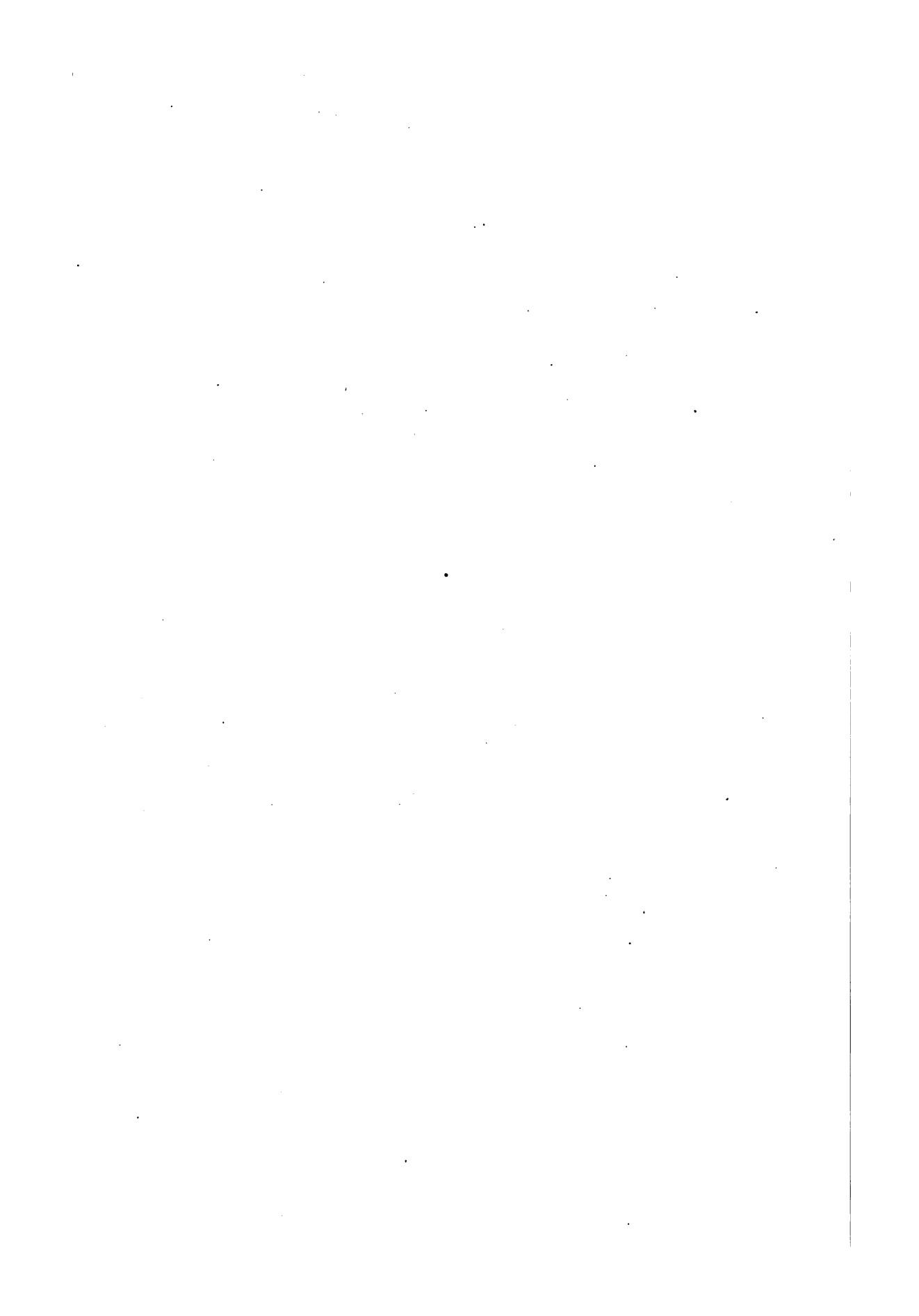
Moved by W. R. Townley and seconded by L. S. MacEnaney, that Vice-President S. D. Andrus be appointed and authorized to sign checks upon the funds of the Association in the absence of the President. Carried.

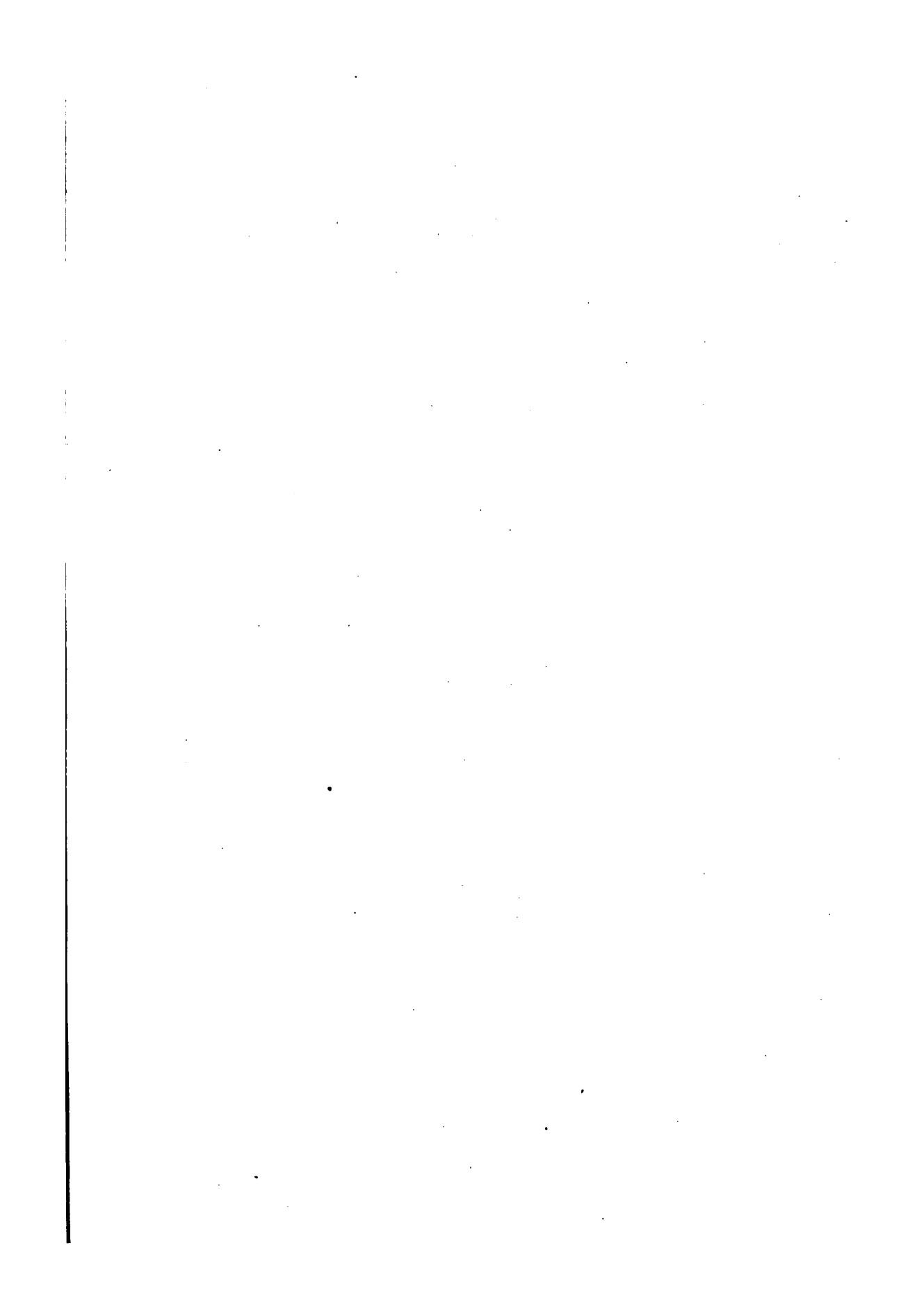
Moved and seconded that the Treasurer be re-imburshed in the sum of \$45.00 for the following bills: \$20.00 for assistance in taking in cash at the door for days of last annual meeting of the Association and \$25.00 for stenographer's services. Carried.

The President reappointed the present Library Committee, W. L. King, Chairman,*A. F. Dean, W. R. Townley, H. T. Lamey and T. H. Smith,

The Committee to Solicit Funds for the Benefit of the Library was referred to Mr. King who was authorized to select his own committee.

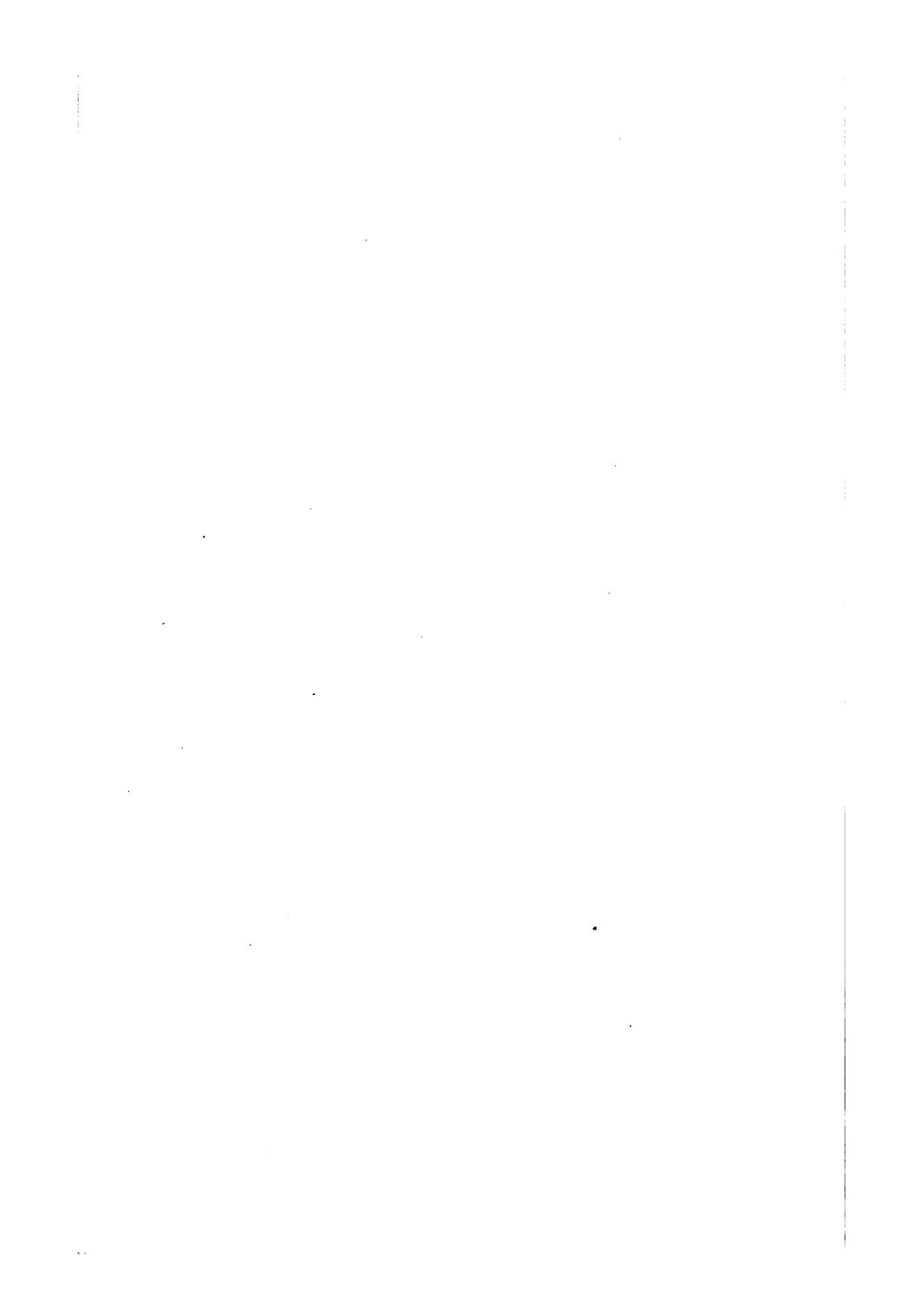
Moved by Geo. A. Armstrong and seconded by L. S. Mac-Enaney that the Treasurer be required to file a bond of some regular Surety Company for \$5,000, the expense of same to be borne by the Association. Carried.







DIRECTORY OF MEMBERSHIP



DIRECTORY OF MEMBERSHIP.

NAME.	ADDRESS.	TITLE.	COMPANY.
Abbott W. S.,	Lapeer, Mich.,	State Agent,	North British & Mercantile Ins. Co.
Adams John H.,	St. Louis, Mo.,	Secretary,	American Central Ins. Co.
Affeld Chas. E.,	Chicago, Ill.,	General Agent,	Hamburg-Bremen Fire Ins. Co.
Ainley C. H.,	Des Moines, Iowa,	President,	Des Moines Ins. Co.
Air Robt. D.,	Topeka, Kans.,	Special Agent,	Phenix Ins. Co., N. Y.
Albright W. G.,	Chicago, Ill.,	State Agent,	Connecticut Fire Ins. Co.
Alexander F. W.,	Indianapolis, Ind.,	Special Agent,	Agricultural Ins. Co.
Allabach E. W.,	Des Moines, Iowa,	Special Agent,	Commercial Union Assurance Co., Ltd.
Althouse W. L.,	Grand Rapids, Mich.,	Special Agent,	Palatine Ins. Co., Ltd.
*Alverson H. C.,	Des Moines, Iowa,	Special Agent,	Western Factory Association.
Alzen Carl A.,	Chicago, Ill.,	Inspector,	Royal Insurance Co.
Anderson Chas. H.,	Hannibal, Mo.,	Special Agent,	Northern Assurance Co.
Anderson Lew W.,	Cedar Rapids, Ia.,	Special Agent,	Springfield F. & M. Ins. Co.
Andrews C. L.,	Detroit, Mich.,	Vice President,	Detroit F. & M. Ins. Co.
Andrews D. W.,	Detroit, Mich.,	State Agent,	Royal Ins. Co.
Andrus S. D.,	Chicago, Ill.,	Special Agent,	Providence-Washington Ins. Co.
Armstrong G. A.,	Detroit, Mich.,	State Agent & Adjr.,	Etna Ins. Co. of Hartford.
Armstrong T. T.,	Des Moines, Ia.,	State Agent,	Home Insurance Co., N. Y.
Arens Geo. A.,	Chicago, Ill.,	Special Agent,	Ins. Co. of North America.
Atkinson S. W.,	Nevada, Mo.,	Special Agent,	Connecticut Fire Ins. Co.
Atwater Walter E.,	Minneapolis, Minn.,	Special Agent,	Commercial Union Assurance Co., Ltd.
Atwood H. F.,	Rochester, N. Y.,	Secretary,	Palatine Ins. Co., Ltd.
Auerbach B.,	Chicago, Ill.,	Ast. Manager,	Rochester German Ins. Co.
Babcock E. J.,	Davenport, Ia.,	Secretary,	Hunter R. J. O. & Co.
Bailey Geo. A.,	Topeka, Kan.,	State Agent,	Security Fire Ins. Co.
Bailey J. W.,	Denver, Colo.,	Special Agent,	Phenix Ins. Co., N. Y.
Bailey O. M.,	Cincinnati, O.,	Special Agent,	Phenix Ins. Co., N. Y.
Baker Thos. Jr.,	Fargo, N. Dak.,	Special Agent,	Ins. Co. of the County of Phila.
Baldwin Dean A.,	Marion, Ind.,	Special Agent,	Queen Insurance Co.
Ball Geo. H.,	Detroit, Mich.,	Adjuster,	Detroit F. & M. Ins. Co.
Bament W. N.,	New York City,	Special Agent,	Home Ins. Co., N. Y.
Barnard C. F.,	Cleveland, O.,	Gen'l Adjr.,	Western Adj. & Insp'n Co.
Barnes Fred. B.,	Oshkosh, Wis.,	Adjuster,	North British & Mercantile Ins. Co.
Barney F. H.,	Minneapolis, Minn.,	State Agent,	Hanover Fire Ins. Co.
Barnum H.,	Binghamton, N. Y.,	Special Agent,	Agricultural Ins. Co.
Barnum Raynolds,	Omaha, Neb.,	Supt. of Agencies,	Glens Falls Ins. Co.
Barnum W. L.,	Chicago, Ill.,	Special Agent,	Millers National Ins. Co.
Barrett D. P.,	Columbus, O.,	Secretary,	Traders Ins. Co.
Barry Chas. H.,	Chicago, Ill.,	Special Agent,	Pennsylvania Fire Ins. Co.
Bassett Neal,	Chicago, Ill.,	Manager,	Firemens Ins. Co., Newark.
Batchelder G. H.,	Denver, Col.,	Special Agent,	Providence-Washington Ins. Co.
Bawden E. T.,	Cincinnati, O.,	Special Agent,	Western Adjustment & Insp. Co.
Becker E. A.,	Chicago, Ill.,	Adjuster,	
Beeson A. G.,	Omaha, Neb.,	Adjuster,	
Belden J. S.,	Chicago, Ill.,	Inspector.	Fire Association.
Bell G. H.,	Dayton, Ohio,	Manager,	North British & Mercantile Ins. Co.
Benallack Wm. T.,	Chicago, Ill.,	State Agent,	Western Facty. Ins. Assn.
Benedict Frank M.,	Lawrence, Kan.,	Special Agent,	Niagara Fire Ins. Co.
Benedict H. F.,	Omaha, Neb.,	Special Agent,	British America Assurance Co.
Benedict H. O.,	Omaha, Neb.,	State Agent,	Western Assurance Co.
Bennett H.,	Cedar Rapids, Iowa,	Inspector.	Phenix Ins. Co., N. Y.
Bennett R. M.,	Chicago, Ill.,	State Agent,	New York Underwriters Agency.
Bennett Wm. L.,	Chicago, Ill.,	Special Agent,	Hartford Fire Ins. Co.
Benton W. P.,	Indianapolis, Ind.,	State Agent,	Sun Insurance Office.
Best J. G. S.,	Chicago, Ill.,	Special Agent,	Girard F. & M. Ins. Co.
Birch W. H.,	West Superior Wis.,	Surveyor.	

* Associate Member.

THIRTY-FIFTH ANNUAL MEETING.

NAME.	ADDRESS.	TITLE.	COMPANY.
Bisbee W. T.,	Chicago, Ill.,	Special Agent,	{ London & Lancashire Fire Ins. Co.
Bishop Edgar W.,	Kansas City, Mo.,	Special Agent,	Orient Insurance Co., Hartford.
Bishop Frank M.,	Quincy, Ill.,	Special Agent,	Hamburg-Bremen Fire Ins. Co.
Bissell R. M.,	Hartford, Conn.,	Vice President,	Liverp. & London & Globe Ins. Co.
Blackwelder I. S.,	Chicago, Ill.,	Manager,	Hartford Insurance Co.
Blauvelt Albert,	Chicago, Ill.,	Inspector,	Niagara Fire Ins. Co.
Bliven Waite,	Chicago, Ill.,	Special Agent,	Western Factory Ass'n.
Blodgett E. E.,	Chicago, Ill.,	Special Agent,	American Fire Ins. Co., Phila.
Bloom Chas. H.,	Detroit, Mich.,	Special Agent,	N. B. & M. Ins. Co.
Bloom Nelson A.,	Detroit, Mich.,	Special Agent,	Michigan F. & M. Ins. Co.
Blossom Geo. W.,	Chicago, Ill.,	Asst. Gen. Agent,	Continental-Ins. Co.
Blossom Howard A.	St. Louis, Mo.,	President,	National Fire Ins. Co., Hartford.
Bonar L. J.,	Manfield, O.,	State Agent,	Merchants Ins. Co., St. Louis.
Boning Herbert E.,	Cincinnati, O.,	State Agent,	Ins. Co. of North America.
Boorn W. C.,	Chicago, Ill.,	Ass't Gen'l Agent,	Philadelphia Underwriters.
Bort L. W.,	Beloit, Wis.,	Special Agent,	Hartford Fire Ins. Co.
Bowers F. W.,	St. Louis, Mo.,	State Agent,	Niagara Fire Ins. Co.
Boyd Horace W..	Newcastle, Ind.,	Special Agent,	Phenix Ins. Co., of Hartford.
*Bradley C. B.,	51 Liberty St., New York.	Inspector.	Royal Ins. Co.
Brant J. A.,	Minneapolis, Minn.,	Asst. Manager,	{ Delaware Ins. Co.
Braun W. F.,	Chicago, Ill.,	State Agent,	Reliance Ins. Co.
Briggs N. E.,	Chicago, Ill.,	State Agent,	North British & Mercantile Ins. Co.
Briggs R. R.,	St. Paul, Minn.,	State Agent,	German Ins. Co., of Freeport.
Brooks Fred. S.,	Detroit, Mich.,	General Adjuster,	{ Delaware Ins. Co.
Brooks John W.,	Chicago, Ill.,	Executive Special Agt.,	Reliance Ins. Co.
Brown Grant R.,	Salt Lake, Utah,	Special Agent,	Liverp. & London & Globe Ins. Co.
Brown Wm. C.,	St. Louis, Mo.,	Special Agent,	Pennsylvania Fire Ins. Co.
Brown F. N.,	Grand Rapids, Mich.	Special Agent,	Caledonian Insurance Co.
Buck Fred. O'L.	Denver, Col.,	State Agent,	Liverp. & London & Globe Ins. Co.
Buck Randolph	Indianapolis, Ind.,	Special Agent,	Western Underwriters' Association.
Bullard A. F.,	Chicago, Ill.,	General Adjuster,	{ Insurance Survey Bureau.
Burglehaus Geo. R.	Chicago, Ill.,	Surveyor,	Fire Association.
Burke F. H.,	Batavia, Ill.,	Special Agent,	Western Adj'st & Inspection Co.
Burleigh W. C.,	Minneapolis, Minn.,	Adjuster,	159 La Salle St.
Burlingame R. J.,	Chicago, Ill.,	Adjuster,	{ Ins. Co. of North America.
Burns M. J.,	Denver, Col.,	Manager,	Philadelphia Underwriters.
Burrows D. W.,	Chicago, Ill.,	General Agent,	Fire Association.
Bush Henry W.,	Chicago, Ill.,	Manager,	Niagara Fire Ins. Co.
Bush J. B.,	Kansas City, Mo.,	Special Agent,	Home Ins. Co.
Buswell F. C.,	New York,	Vice President,	Royal Ins. Co.
Cadman P. W.,	Chicago, Ill.,	Supt. of Agencies,	Millers National Ins. Co.
Caldwell J. T.,	Chicago, Ill.,	Inspector,	Home Ins. Co., N. Y.
Calhoun W. B.,	Milwaukee, Wis.,	Special Agent,	London Assurance Corp'n.
Calley E. J.,	Chicago, Ill.,	Special Agent,	American Central Ins. Co.
Campbell E. T.,	St. Louis, Mo.,	Vice President,	Glen Falls Ins. Co.
Campbell S. F.,	Chicago, Ill.,	Special Agent,	{ Springfield F. & M. Ins. Co.
Campbell Walter,	St. Louis, Mo.,	Local Agent,	Ins. Co. of North America.
Carlisle E. G.,	Chicago, Ill.,	Special Agent,	Philadelphia Underwriters.
Carlisle Henry W.,	Chicago, Ill.,	Asst. Gen'l Agent,	Queen Ins. Co.
Carpenter J. D.,	Des Moines, Ia.,	Special Agent,	Citizens Ins. Co.
Carr J. H.,	St. Louis, Mo.,	Secretary,	{ Northern Assurance Co.
Carson R. B.,	Chicago, Ill.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Cartwright C. W.,	Minneapolis, Minn.,	Special Agent,	Germania Fire Ins. Co., N. Y.
Carver J. G.,	Detroit, Mich.,	General Adjuster,	North British & Mercantile Ins. Co.
Caswell J. H.,	Chicago, Ill.,	State Agent,	Lon. & Lan. Fire Ins. Co.
Cate S. E.,	St. Louis, Mo.,	Special Agent,	Orient Ins. Co.
Cavanagh W. A.,	Chicago, Ill.,	State Agent,	Commercial Union Assurance Co., Ltd.
Chamberlin W. O.,	Minneapolis, Minn.,	Special Agent,	Palatine Ins. Co., Ltd.
Champlin Fred M.,	Grand Rapids, Mich.,	Inspector,	Northwestern National Ins. Co.
Chapman E. F.,	Detroit, Mich.,	Supt. of Agencies,	Michigan Inspec. Bureau.
Chapman W. A.,	Chicago, Ill.,		Connecticut Fire Ins. Co.

*Associate Member.

MEMBERSHIP DIRECTORY.

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NAME.	ADDRESS.	TITLE.	COMPANY.
Chrissinger I. M., Chubb William, Clark A. A., Clarkson H., Clayton H. W., Clemens W. H., Cleveland Geo. W., Cloud Jos. A., Clough Allen E., *Cobban Walter H., Cochran J. W., Cochran Sam'l P., Cofran J. W. G., Colburn Edgar L., Collins B. F., Collins Martin, Collins U. S., Colson H. W., Conklin Walter W., Corliss, G. D., Corbett J. C., Cormany W. A., Cornell H. F., Corry C. D., Coudrey H. M., Cowles B. K. Jr., Cowles C. S., Crandall A. A., *Crandall H. W., Crandall W. H., Cratsenberg A. A., Criswell B. F., Crockett E. I., Cromer John B., Crosley Geo. R., Crowell H. W., Culver B. M., Cunningham J. L., Dale John F., Dallas W. I., Dana Francis, Daniel Lewis F., Daniel T. R., Daniel Wm. C., Daniels W. H., Dargan J. T., Darlington, Hart, Davies John E., Davis Edward A., †Davis John H., Day L. S., De Camp Jas. M., De Forest E. F., De Mott Howard, De Roode Holger, *De Veuve Jas. H., De Witt C. L., Dean A. F., Deans Wm., Deatrict C. T., Diebold Geo., Diggins A. B., Dike Henry A., Dillon A. J., Dinsley F.,	Chicago, Ill., Philadelphia, Pa., Des Moines, Iowa, Topeka, Kas., Troy, Ohio, Cincinnati, O., Cincinnati, O., Kalamazoo, Mich., Minneapolis, Minn., Dallas, Texas, Dallas, Texas, Chicago, Ill., Minneapolis, Minn., Kansas City, Mo., St. Louis, Mo., Chicago, Ill., Chicago, Ill., St. Paul, Minn., New York City, Chicago, Ill., Fort Scott, Kansas, Detroit, Mich., Bellefontaine, O., St. Louis, Mo., Minneapolis, Minn., Merriam Park, Minn., Chicago, Ill., Merriam Park, Minn., Merriam Park, Minn., St. Paul, Minn., Topeka, Kan., Pueblo, Colo., Indianapolis, Ind., Ft. Madison, Ia., Detroit, Mich., St. Paul, Minn., Glens Falls, N. Y., Omaha, Neb., Omaha, Neb., Chicago, Ill., Minneapolis, Minn., Minneapolis, Minn., Columbus, Ohio, Milwaukee, Wis., Atlanta, Ga., Milwaukee, Wis., Racine, Wis., Minneapolis, Minn., Wayne, Delaware Co., Pa. Chicago, Ill., Cincinnati, Ohio, York, Pa., Albany, N. Y., Chicago, Ill., Seattle, Wash., Chicago, Ill., Chicago, Ill., Denver, Col., Columbus, Ohio, Cincinnati, Ohio, Springfield, Mo., Chicago, Ill., Rochester, Ind., Chicago, Ill.,	Special Agent, President, Special Agent, Mgr. Advisory Rate and State Agent, Spl' Agt. & Adjr., Manager, Special Agent, Special Agent, Special Agent, General Agent, General Agent, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Asst. Manager, State Agent, General Agent, Special Agent, General Agent, Special Agent, General Agent, Asst. Manager, Special Agent, State Agent, Special Agent, Special Agent, Adjuster,	Ohio Millers Ins. Co., Canton, O. Reliance Ins. Co. Phenix Ins. Co. of N. Y. Map Bureau. Germania Fire Ins. Co., N. Y. Phenix Ins. Co. of N. Y. Cincinnati Inspection & Rating Bureau. Phenix Assurance Co. Pelican Assurance Co. London Assurance. Trezevant & Co. Trezevant & Cochran. Hartford Fire Ins. Co. Fire Association, Phila. Royal Ins. Co. Fire Association, Phila. Teutonia Ins. Co., N. O. New York Fire Ins. Co. National Assurance Co. New York Underwriters Agency. Northern Assurance Co. Manchester Fire Assurance Co. German Ins. Co., Freeport. Royal Insurance Co. Star Ins. Co. of Louisville. Hamburg-Bremen Fire Ins. Co. Royal Insurance Co. Western Adjust. & Insp. Co. German-American Ins. Co. Commercial Union Assce. Co., Ltd. Palatine Ins. Co., Ltd. German Insurance Co., Freeport. Home Ins. Co., N. Y. British America Assurance Co. Western Assurance Co. Phenix Ins. Co. of New York. Scottish Union & Nat'l Ins. Co. Glen Falls Ins. Co. Phoenix Ins. Co. of Hartford. Phoenix Assurance Co. Pelican Assurance Co. Hartford Fire Ins. Co. Queen Ins. Co. North British & Mercantile Ins. Co. Northern Assurance Co. Western Adjust. & Insp. Co. Atlants-Birmingham Fire Ins. Co. Royal Insurance Co. Ætna Ins. Co., Hartford. Connecticut Fire Insurance Co. Continental Ins. Co. Liverp. & London & Globe Ins. Co. Farmers Fire Ins. Co., York. North British & Mercantile Ins. Co. Newark Fire Ins. Co. Springfield F. & M. Ins. Co. Hanover Fire Ins. Co. Home Insurance Co. of N. Y. National Union Fire Ins. Co., Pa. London Assurance. Western Adjust. & Ins. Co. Continental Ins. Co., N. Y. Millers National Ins. Co.

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† Honorary Member.

THIRTY-FIFTH ANNUAL MEETING.

NAME.	TITLE.	ADDRESS.	COMPANY.
Dow B. B., †Downing J. F.	Special Agent, General Agent,	Chicago, Ill., Erie, Pa.,	{ German Ins. Co. of Freeport. Ins. Co. of North America. Philadelphia Underwriters. Lon. & Lan. Fire Ins. Co.
Dox Chas. E.,	Manager,	Chicago, Ill.,	Orient Insurance Co.
Driscoll M. F.,	General Agent,	Chicago, Ill.,	Phoenix Assurance Co.
Drummond W. I.,	Special Agent,	Topeka, Kan.,	Pelican Assurance Co.
Dudley W. W.,	Secretary,	Chicago, Ill.,	German-American Ins. Co.
Dugan A. G.,	General Agent,	Chicago, Ill.,	Governing Committee.
Dufey B. T.,	State Agent,	Cleveland, Ohio,	Hartford Ins. Co.
Dunlop Chas. D.,	Manager,	Chicago, Ill.,	Royal Insurance Co.
Dunning F. A.,	Special Agent,	Chicago, Ill.,	Provident-Washington Ins. Co.
Dye J. O.,	State Agent,	Springfield, O.,	Home Insurance Co., N. Y.
Easton C. L.,	Special Agent,	Minneapolis, Minn.,	German-American Ins. Co., N. Y.
Ebbert Geo. G.,	Special Agent,	Chicago, Ill.,	Aachen & Munich Fire Ins. Co.
Eddy H. C.,	Resident Secretary,	Chicago, Ill.,	Scottish Union & National Ins. Co.
Edmonds J. F.,	Resident Secretary,	Denver, Col.,	Commercial Union Assurance Co., Ltd.
Eldridge Chas. E.,	Inspector,	Topeka, Kan.,	Palatine Ins. Co., Ltd.
Ely Wm. L.,	Special Agent,	Monroe City, Mo.,	Commercial Union Assurance Co., Ltd.
Englemann C. P.,	Adjuster,	Chicago, Ill.,	Palatine Ins. Co., Ltd.
Errett F. J.,	Special Agent,	St. Paul, Minn.,	Kansas Rating Bureau.
Euler R. B.,	Special Agent,	Dallas, Texas,	Ins. Co. of North America.
Espenscheid H. E.,	Special Agent,	Chicago, Ill.,	Philadelphia Underwriters.
Eustis Truman W.,	Associate Manager,	Chicago, Ill.,	
Evans A. N.,	Special Agent,	Columbus, Ohio,	
Everett H. E.,	Special Agent,	Chicago, Ill.,	
Fargo F. M.,	Special Agent,	St. Louis, Mo.,	
Fargo H. B.,	Special Agent,	St. Paul, Minn.,	
Fargo W. D.,	Adjuster.	Chicago, Ill.,	
Faymonville W. J.,	Special Agent,	Colorado Springs, Col.,	
*Fertig C. T.,	Local Agent,	Chicago, Ill.,	
Fisher G. M.,	Secretary,	Minneapolis, Minn.,	
Fisher Walter L.,	Secretary,	Indianapolis, Ind.,	
Fitzgerald John,	State Agt. & Adjr.,	St. Louis, Mo.,	
Fleming J. D.,	State Agent,	Detroit, Mich.,	
Foreman E. P.,	Special Agent,	Kansas City, Mo.,	
Fort C. W.,	State Agent,	Chicago, Ill.,	
Foss Geo. E.,	Special Agent,	Grand Rapids, Mich.,	
Foster Wm. R.,	Special Agent,	Chicago, Ill.,	
Fowler Henry,	Secretary,	Chicago, Ill.,	
Fowler W. C.,	Special Agent,	Topeka, Kan.,	
Fox Edwin C.,	Special Agent,	Chicago, Ill.,	
†Fox W. F.,	Special Agent,	Omaha, Neb.,	
Freeman E. S.,	Special Agent,	Indianapolis, Ind.,	
Friedley H. H.,	State Agent,	Indianapolis, Ind.,	
Fulton W. H.,	State Agent,	Indianapolis, Ind.,	
Funkhouser M. L. C.,	General Agent,	Chicago, Ill.,	
Furlong John P.,	Special Agent,	Chicago, Ill.,	
Gable Jesse O.,	Special Agent,	Peoria, Ill.,	
Gadsden J. S.,	General Agent,	Chicago, Ill.,	
Gallagher Thos. E.,	General Agent,	Cincinnati, O.,	
Garrigue R. H.,	Adjuster.	Kalamazoo, Mich.,	
Gerow Wynn C.,	Special Agent,	Pittsburg, Pa.,	
Gibbs H. M.,	Special Agent.	Kansas City, Mo.,	
Gilbert A. C.,	Special Agent,	Chicago, Ill.,	
Gilbert C. B.,	Manager,	Quincy, Ill.,	
Gill Geo. C.,	Inspector,	Indianapolis, Ind.,	
Gilmore B. J.,	Special Agent,	New York,	
†Glassford H. A.,	Retired.	Chicago, Ill.,	
Glidden H. H.,	Manager,	Philadelphia, Pa.,	
Goff E. L.,	Secretary,		

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THIRTY-FIFTH ANNUAL MEETING.

NAME.	ADDRESS.	TITLE.	COMPANY.
Hilton J. M.,	Chicago, Ill.,	Special Agent,	Sun Insurance Office.
Hinckley E. H.,	Kalamazoo, Mich.,	Special Agent,	London & Lanc. Fire Ins. Co.
Hitchcock E. M.,	Northfield, Minn.,	Special Agent,	Orient Insurance Co.
Hitchcock W. E.,	Omaha, Neb.,	State Agent,	American Fire Insurance Co., Pa.
Hobbin J. N.,	Minneapolis, Minn.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Hon W. E.,	Detroit, Mich.,	Special Agent,	Westchester Fire Ins. Co., N. Y.
Holden W. Frank,	Omaha, Neb.,	Special Agent,	Niagara Fire Ins. Co.
Hollinshead C. S.,	Philadelphia, Pa.,	President,	Spring Garden Ins. Co.
†Holman Isaac W.,	Milwaukee, Wis.,	Special Agent,	Union Insurance Co., Phila.
Holtfodt F. R.,	Chicago, Ill.,	Special Agent,	Ins. Co. of North America.
Hoover John,	Dayton, Ohio,	Special Agent,	Philadelphia Underwriters.
House Geo. H.,	Saginaw, Mich.,	Inspector.	Phenix Ins. Co., N. Y.
Howe H. L.,	Winona, Minn.,	Inspector.	London & Lancashire Fire Ins. Co.
Howley John,	New York City,		Orient Insurance Co.
Hubbard Fred. A.,	Chicago, Ill.,	Aast. Gen'l Agent	South. Minn. Inspec. Bureau.
Hubbard S. S.,	Chicago, Ill.,	Special Agent,	Care of Western Salvage Wreck'g Ag'cy.
Hubbell Jos. G.,	Topeka, Kan.,	Special Agent,	Hanover Fire Insurance Co.,
Hubble J. W.,	Jacksonville, Ill.,	State Agent,	Hunter R. J. O. & Co.
Hubble John P.,	Chicago, Ill.,	City Manager,	Queen Insurance Co.
Hubble L. J.,	Springfield, Ill.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Hudler Howard,	Chicago, Ill.,	Special Agent,	Queen Insurance Co.
Huff H. M.,	Chicago, Ill.,	Special Agent,	Etna Insurance Co., Hartford.
Huff Winfield S.,	Columbus, Ohio,	Special Agent,	Union Insurance Co., Pa.
Huggard R. T.,	Columbus, O.,	Special Agent,	National Union Fire Ins. Co., Pittsburgh.
*Hunter R. H.,	Chicago, Ill.,	Sec'y & Treas,	Springfield F. & M. Ins. Co.
Hurd E. R.,	Chicago, Ill.,	Special Agent,	Columbus Fire Underwriters' Ass'n.
Ingalls C. T.,	Oklahoma City, Okla.,	Manager,	Home Insurance Co., N. Y.
Ingram John C.,	Chicago, Ill.,	Asst. Manager	Okl. & Ind. Terr. Insp. Bureau.
Irvin E. C.,	Philadelphia, Pa.,	President,	German-American Insurance Co., N. Y.
Jacobs Wm. F.,	Chicago, Ill.,	Adjuster,	Fire Association.
James W. P.,	Indianapolis, Ind.,	Special Agent,	With A. Loeb & Son.
Janvier Chas.,	New Orleans, La.,	President,	Nat'l. Fire Ins. Co., Hartford.
Jardine Robert,	Chicago, Ill.,	Secretary,	Sun Insurance Co., N. O.
Jessop R. N.,	Fairfield, Ill.,	Special Agent,	Protection Mut. Fire Ins. Co.
Jewell E. W.,	Indianapolis, Ind.,	State Agent,	Phenix Insurance Co., N. Y.
Johnson Oliver E.,	Cedar Rapids, Ia.,	Special Agent,	British America Assurance Co.
Johnson Jas. J.,	Chicago, Ill.,	Special Agt. & Adjr.,	Western Assurance Co.
Johnson W. N.,	Erie, Pa.,	Asst. Gen. Agent,	Ins. Co. of North America.
Johnston Jas. C.,	Cincinnati, O.,	General Adjuster,	Niagara Fire Insurance Co.
Jones David E.,	Minneapolis, Minn.,	Special Agent,	Ins. of North America.
Jones Frank M.,	Cincinnati, Ohio,	Special Agent,	Philadelphia Underwriters.
Jones Fred H.,	Chicago, Ill.,	Adjuster,	Ins. Co. of North America.
Jones N. B.,	Detroit, Mich.,	Special Agent,	Philadelphia Underwriters.
Joseph Jas. F.,	Chicago, Ill.,	Asst. Manager,	Firemans Fund Ins. Co.
Julian N. T.,	Columbus, Ohio,	General Agent,	Sun Ins. Office of London.
Keeler N. E.,	Cincinnati, Ohio,	General Agent,	The American Fire Insurance Co.
Keith Chas. A.,	Chicago, Ill.,	Special Agent,	North British & Mercantile Ins. Co.
Kelley Chas. A.,	Terre Haute, Ind.,	Special Agent,	Agricultural Insurance Co.
Kelley W. P.,	South Bend, Ind.,	Inspector,	Etna Insurance Co.
Kelly Wm. B.,	Philadelphia, Pa.,	General Agent,	National Fire Insurance Co., Hartford.
*Kelsey Benjamin,	Indianapolis, Ind.,	Adjuster.	St. Paul F. & M. Insurance Co.
Kelsey H. N.,	Chicago, Ill.,	Manager,	South Bend and Mishawaka Board of
Kelsey Jas. A.,	New York,	Manager,	Underwriters.
Kelsey Preston T.,	Chicago, Ill.,	Ass't. Manager,	American Fire Insurance Co., Pa.
Kemp J. Sterling,	Chicago, Ill.,	Special Agent,	
Kemp O. C.,	Chicago, Ill.,	Manager,	Sun Insurance Office.
Kempster G. B.,	Kansas City, Mo.,	Special Agent,	Aachen & Munich Fire Insurance Co.
Kennedy Samuel B.,	Louisville, Ky.,	Special Agent,	Sun Insurance Office.
Keesberger Geo. P.,	Springfield, Ill.,	State Agent,	Delaware Insurance Co.
Kidd Chas. D.,	Dayton, Ohio,	Special Agent,	Reliance Insurance Co.
Kimmerly P. G.,	Toronto, Can.,	General Agent,	Delaware Insurance Co.
			Reliance Insurance Co.
			Agricultural Insurance Co.
			Westchester Fire Ins. Co.
			Milwaukee Mechanics' Ins. Co.
			Delaware Insurance Co.
			British America Assurance Co.

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THIRTY-FIFTH ANNUAL MEETING.

NAME.	ADDRESS.	TITLE.	COMPANY.
Marshall James,	Omaha, Neb.,	Special Agent,	{ Fireman's Fund Ins. Co. Home F. & M. Ins. Co., Cala.
Martin C. C.,	Kansas City, Mo.,	Special Agent,	Norwich Union Fire Ins. Society.
Martin H. C.,	Indianapolis, Ind.,	Secretary,	Indemnity Fire Ins. Co., N. Y.
Martin John,	Columbus, Ohio,	Special Agent,	Indianapolis Fire Insurance Co.
Martin P. B.,	Springfield, Ohio,	Special Agent,	Home Insurance Co., New York.
Mather John M.,	Chicago, Ill.,	Special Agent,	Commercial Union Assurance Co., Ltd.
Mathews A. C.,	Indianapolis, Ind.,	Special Agent,	Palatine Ins. Co., Ltd.
Matteson David L.,	St. Louis, Mo.,	Special Agent,	Royal Insurance Co.
Mauritius Frank.,	Omaha, Neb.,	Special Agent,	Ins. Co. of North America.
Maxfield E. C.,	Superior, Wis.,	Surveyor,	Philadelphia Underwriters.
Maxwell Wm. K.,	Lincoln, Ill.,	Special Agent,	Royal Insurance Co.
Mayberry J. J.,	Chicago, Ill.,	Resident Secretary,	Fire Association, Phila.
Mayer F. J. Alex.,	Portland, Ore.,	Special Agent,	Fire Underwriters' Association.
McAnally F. T.,	Kankakee, Ill.,	Special Agent,	Hanover Fire Insurance Co.
McBain W. F.,	Grand Rapids, Mich.,	Special Agent,	Equitable F. & M. Ins. Co.
McCabe Frank J.,	Chicago, Ill.,	Special Agent,	Fire Association, Phila.
McClintock B. R.,	Columbus, Ohio,	Special Agent,	Continental Insurance Co., N. Y.
McConkey E. K.,	York, Pa.,	Assistant Secretary,	National Fire Ins. Co., Hartford.
McCauley Eugene C.,	Indianapolis, Ind.,	State Agent,	Fire Association, Phila.
McCotter C. A.,	Indianapolis, Ind.,	Secretary,	British America Assurance Co.
McCullough R. G.,	Indianapolis, Ind.,	Special Agent,	Western Assurance Co.
McDonald J. J.,	Chicago, Ill.,	Manager,	Farmers Fire Ins. Co., York.
McElhone F. H.,	Chicago, Ill.,	Manager,	Indianapolis Fire Insurance Co.
McGregor, P. D.,	Chicago, Ill.,	Manager,	Grain Dealers' Nat'l Mut. Fire Ins. Co.
McIntyre Robt. J.,	Chicago, Ill.,	Special Agent,	Connecticut Fire Insurance Co.
McKean R. G.,	Minneapolis, Minn.	Special Agent,	Connecticut Fire Insurance Co.
McLaran J. B.,	Duluth, Minn.,	Inspector,	Fireman's Fund Ins. Co.
McMahon G. P.,	Detroit, Mich.,	State Agent,	Home F. & M. Ins. Co., Cala.
McMillan L. S.,	Chicago, Ill.,	Adjuster,	Queen Ins. Co.
McOmber Fred T.,	Ann Arbor, Mich.,	Special Agent,	Fireman's Fund Insurance Co.
McSween J. F.,	Omaha, Neb.,	State Agent,	Home F. & M. Ins. Co., Cala.
Medbury Robt. F.,	Detroit, Mich.,	State Agent,	Niagara Fire Insurance Co.
Meeker C. G.,	Sycamore, Ill.,	State Agent,	Michigan F. & M. Ins. Co.
Meinel Edward,	New York City,	Agency Supt.,	Liverp. & London & Globe Ins. Co.
Meinel F. A.,	Chicago, Ill.,	Asst. Manager,	Franklin Fire Insurance Co., Pa.
Meyer A. J.,	Indianapolis, Ind.,	Special Agent,	Ins. Co. of North America.
Miller A. F.,	Belleville, Ill.,	Special Agent,	Philadelphia Underwriters.
Miller C. N.,	Des Moines, Iowa,	Special Agent,	Concordia Fire Ins. Co.
Miller W. L. W.,	Denver, Col.,	Special Agent,	Federal Ins. Co. of N. J.
†Mims Livingston,	Atlanta, Ga.,	General Agent,	London & Lancashire Fire Ins. Co.
Mink Wallace,	Chicago, Ill.,	Special Agent,	Orient Insurance Co., Hartford.
Minty Harry E.,	Kansas City, Mo.,	Special Agent,	Delaware Ins. Co.
Monroe A. R.,	Indianapolis, Ind.,	Special Agent,	Reliance Ins. Co.
*Moody L. D.,	Indianapolis, Ind.,	Special Agent,	American Fire Insurance Co., Pa.
Moore C. H.,	Richmond, Ind.,	Asst. Secretary,	American Fire Insurance Co., Pa.
Moore Geo. H.,	Chicago, Ill.,	Special Agent,	British America Assurance Co.
Moore C. A.,	Des Moines, Ia.,	Special Agent,	Western Assurance Co.
Moore M. S.,	Chicago, Ill.,	Special Agent,	In. Co. of the State of Illinois.
Moore R. B.,	Cambridge, Ohio,	Special Agent,	Hanover Fire Insurance Co.
Morgan E. D.,	Columbus, Ohio,	State Agent,	Queen Insurance Co.
Mott Geo. C.,	St. Paul, Minn.,	State Agent,	Phenix Insurance Co., N. Y.
Mueller G.,	Milwaukee, Wis.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Munn Clarke J.,	Milwaukee, Wis.,	Special Agent,	Hanover Fire Insurance Co.
Munn E. V.,	Milwaukee, Wis.,	Special Agent,	Equitable F. & M. Ins. Co.
Munns Wm. H. A.,	Chicago, Ill.,	Special Agent,	Phenix Insurance Co., N. Y.
Munson E. A.,	Indianapolis, Ind.,	State Agent,	Home Ins. Co., N. Y.
Murray H. W.,	Chicago, Ill.,	Adjuster,	N. Y. Underwriters Agency.
Nelson John H.,	Indianapolis, Ind.,	Special Agent,	Northern Assurance Co.
Neuberger Jno. M.,	Columbus, Ohio,	Special Agent,	Wisconsin Adjustment Bureau.
			Pennsylvania Fire Ins. Co.
			Citizens' Ins. Co. of Mo.
			Aachen & Munich Fire Ins. Co.
			Atlas Assurance Co

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THIRTY-FIFTH ANNUAL MEETING.

NAME.	ADDRESS.	TITLE.	COMPANY.
Row Frank G., Rowell Alfred, Rowland Neal, Rudy D. A., Rudy C. L., Russell M. B., Ryan Edwin C., Sammis Fred C., Sanderson A. G., Sayres R. S., *Schafer Fred W., Schuememann R. G., Schmemann Gustav, Schnitzler Theo., Schoen E. M., Schreiber Thor., Schrup N. J., Schwarz S., Schweer Louis H., Scott Walter, Sears M. L., Secor Fred C., Sellers T. B., Shaw William, Shepherd John, Shepherd John E., Shoemaker J. M., Sikkema U. H., Silkworth C. H., Simonsen C. F., Singleton J. P., Skinner W. D., Smith John L., Small I. F., Smith Carl H., *Smith Horace M., Smith T. H., Smith Thos. H., Smith R. W., Snyder Claude F., Snyder Frank G., Sonnen W. J., Spear Theo. F., Spice Horace L., Spoerer F. E., Sprague Samuel E., Springer Herman B., Springer W. H., Stafford John F., Stanberry Edward, Stark Byron G., Stark L. C., Stauffer J. Geo., Steele W. L., Stephens Isaac, Stevens D. H., Stickney Geo. A., Stinson Alfred, Stone John, Stoner E. E., Stuart H. C., Sullivan J. R.,	Lansing, Mich., New York City, Columbus, Ohio, Indianapolis, Ind., Indianapolis, Ind., Louisville, Ky., Winnipeg, Man., Minneapolis, Minn., Columbus, Ohio, Wilmington, Ohio, Kansas City, Mo., Chicago, Ill., Detroit, Mich., Milwaukee, Wis., Kansas City, Mo., Chicago, Ill., Dubuque, Ia., Chicago, Ill., Cincinnati, Ohio, Kansas City, Mo., Kansas City, Mo., Kansas City, Mo., Columbus, O., Council Bluffs, Ia., St. Louis, Mo., Chicago, Ill., McLeansboro, Ill., Belleville, Ill., Milwaukee, Wis., Chicago, Ill., Louisville, Ky., Des Moines, Iowa, Louisville, Ky., St. Louis, Mo., Dayton, Ohio, Terre Haute, Ind., Chicago, Ill., Dayton, Ohio, Kansas City, Mo., Louisville, Ky., Louisville, Ky., Chicago, Ill., Cincinnati, Ohio, Detroit, Mich., Chicago, Ill., Winnepeg, Man., Minneapolis, Minn., Des Moines, Ia., Minneapolis, Minn., Chicago, Ill., New York City, Chicago, Ill., Decatur, Ill., Chicago, Ill., Chicago, Ill., Monroe City, Mo., Chicago, Ill., Des Moines, Ia., Indianapolis, Ind., Greenfield, Ind., Dubuque, Iowa, Milwaukee, Wis.,	Special Agent, Special Agent, Special Agent, State Agent, Special Agent, State Agent, Local Agent, Special Agent, Special Agent, State Agent, Local Agent, Special Agent, Special Agent, Special Agent, Secretary, Manager, Supt. of Agencies, State Agent, State Agent, Special Agent, Manager, Inspector, Special Agent, Special Agent, Adjuster, Special Agent, Supt. of Surveys, State Agent, Vice-President Special Agent, Special Agent, Local Agent, Adjuster, State Agent, Special Agent, Secretary, Special Agent, General Agent, Special Agent, Special Agent, State Agent, Special Agent, Supt. of Agencies, Mngr. West. Dept., Supt. Loss Dept., State Agent, Asst. Manager, Adjuster, Special Agent, Special Agent, Special Agent, Special Agent, Special Agent, Secretary, Inspector,	Springfield F. & M. Ins. Co. Ætna Insurance Co. London Assurance. German Insurance Co., Freeport. German Insurance Co., Freeport. Ins. Co. of North America. Philadelphia Underwriters. Agricultural Insurance Co. Ætna Insurance Co. of Hartford. Western Underwriters' Assn. Milwaukee Mechanics Ins. Co. Phenix Insurance Co., N. Y. London & Lancastershire Ins. Co. German American Insurance Co. Dubuque F. & M. Insurance Co. Westchester Fire Insurance Co., N. Y. Firemans Ins. Co., Baltimore. Home Insurance Co., N. Y. Phoenix Assurance Co. Pelican Assurance Co. Sun Insurance Office. Ohio Inspection Bureau. Liverp. & London & Globe Ins. Co. Insurance Co. of North America. Philadelphia Underwriters. German Insurance Co., Freeport. Springfield F. & M. Ins. Co. Governing Committee. Niagara Fire Insurance Co. Hawkeye Insurance Co. Hamburg-Bremen Fire Ins. Co. German Insurance Co., Freeport. German Insurance Co., Freeport. Fireman's Fund Insurance Co. Home F. & M. Ins. Co., Cala. Ky. & Tenn. Board. Liverpool & London & Globe Ins. Co. St. Paul F. & M. Ins. Co. Phoenix Ins. Co., Hartford. Germania Fire Ins. Co., N. Y. Connecticut Fire Insurance Co. Agricultural Insurance Co. London & Lancashire Fire Ins. Co. Orient Insurance Co. Royal Insurance Co. Caledonian Ins. Co. Royal Insurance Co. Fireman's Fund Insurance Co. Home F. & M. Ins. Co., Cala. Niagara Fire Insurance Co. Insurance Co. of North America. Philadelphia Underwriters. Connecticut Fire Insurance Co. National Fire Insurance Co., Hartford. Commercial Union Assurance Co., Ltd. Palatine Insurance Co., Ltd. Home Insurance Co., N. Y. Iowa Home Ins. Co.

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NAME.	ADDRESS.	TITLE.	COMPANY.
Sutton J. R.,	Hillsdale, Mich.,	Special Agent,	{ Fireman's Fund Insurance Co. Home F. & M. Insurance Co., Cala.
Sutton W. D.,	Champaign, Ill.,	Adjuster,	American Ins. Co., N. J.
Tallman J. B.,	Grand Rapids, Mich.,	Special Agent,	Security Ins. Co., New Haven.
Thatcher H. H.,	Pontiac, Mich.,	Special Agent,	Manchester Fire Assurance Co.
Thomas D. D.,	Kansas City, Mo.,	Special Agent,	Hanover Fire Insurance Co.
Thomas John V.,	Chicago, Ill.,	Asst. Secretary,	Phenix Insurance Co., N. Y.
Thomson F. R.,	Minneapolis, Minn.,	Special Agent,	Liverpool & London & Globe Ins. Co.
Tiecknor Fred,	Peoria, Ill.,	Inspector,	Federal Ins. Co., N. J.
Tiffany H. S.,	Chicago, Ill.,	Insurance Publ'r.	
Timberlake C. S.,	45 William St., New York City,	Agency Supt.,	{ Insurance Co. of America. Federal Insurance Co.
Tolles Fred. W.,	Milwaukee, Wis.,	Adjuster,	Phenix Insurance Co., N. Y.
Townley W. R.,	Chicago, Ill.,	General Agent,	British America Assurance Co.
Townsend Edwin R.,	Columbus, O.,	Elec. Insp.,	Western Assurance Co.
Trembore Wm.,	Freeport, Ill.,	Secretary,	Ohio Inspec. Bureau.
Trezevant J. T.,	Dallas, Texas,	General Agent,	German Insurance Co., Freeport.
Tripp S. W.,	Chicago, Ill.,	Manager,	Trezevant & Cochran.
Trittle F. L.,	Rockford, Ill.,	Inspector.	Western Factory Association.
Tuttle L. S.,	Oshkosh, Wis.,	Special Agent,	
Underhill E. B.,	Columbus, O.,	Special Agent,	Queen Ins. Co.
Vail D. F.,	St. Paul, Minn.,	General Adjuster.	Westchester Fire Insurance Co.
Valentine Geo. S.,	Minneapolis, Minn.,	Special Agent.	Hartford Ins. Co.
Van Allen G. A.,	Albany, N. Y.,	President,	Commerce Insurance Co.
Van Ness Bartow,	St. Louis, Mo.,	Special Agent.	Liverpool & London & Globe Ins. Co.
Van Valkenburg M. W.,	Topeka, Kan.,	Special Agent,	Aetna Insurance Co.
Vandeveenter W. E.,	Chicago, Ill.,	State Agent,	Queen Insurance Co.
Verner Frank A.,	Detroit, Mich.,	Special Agent,	Prussian National Insurance Co.
Vinson, John W.,	Jerseyville, Ill.,	Adjuster.	German American Insurance Co., N. Y.
Virchow John,	Chicago, Ill.,	Special Agent,	Manchesteér Fire Assurance Co.
Virgin, C. R.,	Fairbury, Ill.,	Special Agent,	Delaware Insurance Co.
Vogel, C. M.,	Marion, Ohio,	Special Agent,	Citizens Insurance Co., Mo.
Voss Milton P.,	Chicago, Ill.,	Special Agent,	German American Ins. Co.
Voss Frederick G.,	New York City,	Asst. Gen'l Agent,	Home Insurance Co., N. Y.
Waddell W. W.,	Chicago, Ill.,	Special Agent,	National Fire Insurance Co., Hartford.
Waggoner Sol. E.,	St. Louis, Mo.,	President,	Pennsylvania Fire Insurance Co.
Wagner D. S.,	Chicago, Ill.,	Adjuster.	United States Casualty Co.
Waldron Raymond,	Chicago, Ill.,	Special Agent,	Ohio Insp. Bureau.
Walker H. H.,	Chicago, Ill.,	Sec'y Farm Dept.,	Westchester Fire Insurance Co., N. Y.
Wallace J. M.,	Dayton, Ohio,	State Agent	Citizens Ins. Co., Mo.
Wallace L. S.,	Chicago, Ill.,	Special Agt. & Adjr.,	Royal Insurance Co.
Wallace W. G.,	Chicago, Ill.,	Special Agent,	Home Insurance Co., N. Y.
Wailing Kelsey L.,	Toledo, O.,	Special Insp.,	Phenix Assurance Co.
Walsh Chas. A.,	Kansas City, Mo.,	Special Agent,	Pelican Assurance Co.
Wardle H. M.,	Detroit, Mich.,	Special Agent,	Liverpool & London & Globe Ins. Co.
Warner Lansing B.,	Chicago, Ill.,	Special Agent,	Hamburg-Bremen Fire Ins. Co.
Warnshuis J. W.,	Chicago, Ill.,	Special Agent,	Franklin Fire Insurance Co., Pa.
Warren A. M.,	Milwaukee, Wis.,	Special Agent,	Niagara Fire Insurance Co., N. Y.
Warren W. S.,	Chicago, Ill.,	Res. Secretary,	British America Assurance Co.
Washington H. B.,	Chicago, Ill.,	Special Agent,	Western Assurance Co.
Watson A. M. L.,	Cincinnati, Ohio,	Special Agent,	Norwich Un. Fire Ins. Society.
Watson Clifford,	Vinton, Iowa,	Special Agent,	
Webster Geo.,	Chicago, Ill.,	Special Agent,	Rochester German Insurance Co.
Weed Arthur J.,	Indianapolis, Ind.,	Special Agent,	Dubuque F. & M. Ins. Co.
Wehmeyer C. A.,	Goshen, Ind.,	Inspector,	Agricultural Insurance Co.
Weil Aaron M.,	Evansville, Ind.,	Local Agent,	Western Adjust. & Insp'n Co.
Weineck F. L.,	Milwaukee, Wis.,	Special Agent,	Fire Association, Phila.
Weiser S. F.,	Chicago, Ill.,	Special Agent,	
Weiss Edward P.,	Kansas City, Mo.,	Special Agent,	
Welch Ira,	St. Louis, Mo.,	Adjuster,	
Wells David W.,	Chicago, Ill.,	State Agt. & Adjr.,	
Wells H. M.,	Chicago, Ill.,	Adjuster,	
Welpton D. B.,	Omaha, Neb.,	Special Agent,	Roval Insurance Co.
Welpton Frank B.,	Omaha, Neb.,	Special Agent,	Northern Assurance Co.
Welpton S. S.,	Omaha, Neb.,	Special Agent,	Connecticut Fire Insurance Co.

*Associate Member.

THIRTY-FIFTH ANNUAL MEETING.

NAME.	ADDRESS.	TITLE.	COMPANY.
Welsh Milton, Wenie F. T. M., West B. L., West Bryon D., West David D., Wetmore E. R., Wharton J. B., *Wheeler E. S., Wheeler W. H., Whilden Wm. G., White H. W., Whitford G. S., Whitlock J. L., Whitney F. H., *Wile Edwin W., Wile Joe M., Wiley Geo. L., Wilken W. A., Williams, A. R., Williams Fred. W., Williams Geo. G., *Williams S. G., Williams Walter D., Wilson C. F., Wilson Geo. T Wilson H. R., *Windle Joa. J., Wise Fred T., Wiener W. K., Witherbee W. E., Witkowsky Conrad, Woessner Henry J., Wofford Chas. P., Wolff L. H., Wonn C. G., Wood C. O., Wood H. N., Wood W. J., Woodbury Cyrus, Woodhurst W. H. C., Wright John C., †Wyper James, †Yates C. G., Young Chas. O., Zechlin H. J., Zent M. F., Zweig H. M.,	Kansas City, Mo., St. Louis, Mo., Erie, Pa., Grand Rapids, Mich., P. O. Box 353, Kalamazoo, M. Chicago, Ill., Jacksonville, Ill., Chicago, Ill., Louisville, Ky., Chicago, Ill., Chicago, Ill., Chicago, Ill., Chicago, Ill., Detroit, Mich., Chicago, Ill., Chicago, Ill., Rockford, Ill., Atlantic, Ia., Milwaukee, Wis., Chicago, Ill., Milwaukee, Wis., Denver, Col., Minneapolis, Minn., Denver, Col., Dayton, Ohio, Chicago, Ill., Philadelphia, Chicago, Ill., Cedar Rapids, Ia., Chicago, Ill., Chicago, Ill., Detroit, Mich., New York City, Indianapolis, Ind., Chicago, Ill., Springfield, Ohio, Omaha, Neb., Indianapolis, Ind., Columbus, Ohio, North Platte, Neb., Detroit, Mich., Hartford, Conn., San Francisco, Cal., Minneapolis, Minn., Chicago, Ill., East St. Louis, Ill., Chicago, Ill.,	Adjuster. State Agent, Asst. Gen'l Agent, Deputy Inspector, Special Agent, Special Agent, Special Agent, State Agent, Asst. Manager, Adjuster, Special Agent, Manager, Vice-President, Local Agent, Secretary, State Agent, Special Agent, General Agent, State Agent, Ins. Atty. & Adjr., Special Agent, General Agent, Special Agent, General Agent, Special Agent, State Agent, Special Agent, State Agent, Special Agent, State Agent, General Agent, Special Agent, State Agent, Special Agent, State Agent, Special Agent, State Agent, Adjuster, Special Agent, State Agent, State Agent, Secretary, General Agent, Special Agent, Special Agent, Inspector, Special Agent,	German Insurance Co., Freeport. Ina. Co. of North America. Philadelphia Underwriters. Michigan Inspection Bureau. Federal Insurance Co. N. Y. Underwriters Agency. German Insurance Co. of Freeport. Home Insurance Co., N. Y. Prussian National Insurance Co. Niagara Fire Insurance Co. Glens Falls Insurance Co. Michigan F. & M. Co. Ina. Co. of the State of Illinois. German Ins. Co., Freeport. Union Assurance Society. Aachen & Munich Fire Ins. Co. Liverpool & London & Globe Ins. Co. Spring Garden Ins. Co. Scottish Union & National Ins. Co. Delaware Ins. Cos. Reliance Ins. Co. E. M. & I. Insurance Co., Toronto, Ca. Norwich Union Fire Ins. Society. Home Insurance Co., N. Y. Aachen & Munich Fire Ins. Co. Hamburg-Bremen Fire Ins. Co. American Central Ins. Co. Royal Exchange Assurance. Ætna Insurance Co., Hartford. Connecticut Fire Insurance Co Home Insurance Co., N. Y. North British & Mercantile Ins. Co. Phenix Ins. Co., N. Y. Queen Insurance Co. North British & Mercantile Ins. Co. Orient Insurance Co. Austin Fire Ins. Co. American Insurance Co., N. J. Niagara Fire Insurance Co. German Fire Ins. Co., Pa.

†Honorary Member.

*Associate Member.

In Memoriam.

NAME.	ADDRESS.	TITLE.	COMPANY.
Abbey, A. J. B.	San Antonio, Tex.,	Special Agent,	Home Insurance Co., N. Y.
Aldrich, H. L.	St. Louis, Mo.,	Proprietor,	Western Insurance Review.
Adams Geo. W.	Chicago, Ill.,	Adjuster.	
Allen, E. L.	New York City,	President,	
Armstrong, Frank W.	Indianapolis, Ind.,	State Agent	German-American Insurance Co., N. Y.
Ashworth, William	Chicago, Ill.,	General Agent,	Germania Fire Ins. Co., N. Y.
Aspinwall, Sterne F.	Grand Rapids, Mich.,	President,	British America Assurance Co., Toronto.
Atwood, John	Alton, Ill.,	President,	Grand Rapids Fire Ins. Co.
Barry, A. S.	Godfrey, Ill.,	General Adjuster,	Illinois Mutual Ins. Co., Ill.
Bassett, E. J.	Hartford, Conn.,	General Agent,	
Bennett, J. B.	Indianapolis, Ind.,	Local Board Com's'r,	
Berne, J. J.	Chicago, Ill.,	General Adjuster,	Etna Insurance Co., Hartford.
Berry, F. H.	Milwaukee, Wis.,	State Agent,	
Bissell, F. R.	Dubuque, Iowa,	State Agent,	Traders Ins. Co., Chicago.
Bissell, Geo. Francis	Chicago, Ill.,	General Agent,	Liverpool & London & Globe Ins. Co.
Bliven Chas. E.	Chicago, Ill.,	Manager,	Hartford Fire Ins. Co., Hfd.
Bradshaw W. D..	Chicago, Ill.,	General Agent,	American Fire Ins. Co., Philadelphia.
Boughton Frank S.	Denver, Col.,	Special Agent,	Firemen's Ins. Co., N. J.
Bowers H. E.	New York City,	Retired.	Niagara Fire Ins. Co., N. Y.
Burch Thos. Ross,	Chicago, Ill.,	Gen'l Agt. Western Department,	
Burt Fred. E.	Detroit, Mich.,	Supervising Agent and Adjuster,	Phenix Ins. Co., Brooklyn.
Butterfield W. C.	St. Louis, Mo.,	General Adjuster.	Niagara Fire Ins. Co., N. Y.
Cary Eugene,	Chicago, Ill.,	Manager,	
Chittenden W. G.	Chicago, Ill.,	General Agent,	German-American Ins. Co., N. Y.
Clarke Geo. C.	Chicago, Ill.,	General Agent,	Merchants Ins. Co., N. J.
Clarke W. T.	Des Moines, Iowa,	State Agent,	Boylston Ins. Co., Boston.
Clifford W. E.	Evanson, Ill.,	State Agent,	Franklin Fire Ins. Co., Philadelphia.
Cole Aaron P.	Indianapolis, Ind.,	Secretary,	
Cook Geo. H.	Indianapolis, Ind.,	Special Agent,	New York Underwriters' Agency.
Coombe C. F. C.	St. Louis, Mo.,	Superintendent,	Franklin Insurance Co.
Cornell W. B.	Chicago, Ill.,	Secretary,	British America Assurance Co., Toronto.
Cramer Adolf J.	Milwaukee, Wis.,	Special Agent,	North British & Mercantile Ins. Co.
Cromer James,	Indianapolis, Ind.,	Manager,	Milwaukee Mechanics Ins. Co.
Crooke George,	Evanson, Ill.,	Manager,	Home Ins. Co., N. Y.
Crooke W. D.	Chicago, Ill.,	Manager,	Western Adjust. & Inspection Co.
Cunningham W. H.	Chicago, Ill.,	Manager,	Northern Assurance Co., Eng.
Cunningham A. M.	Louisville, Ky.,	Sup't Agencies,	Fire Association, Phila.
De Camp D. J.	Schenectady, N. Y.,	Special Agent,	Queen Ins. Co., of England.
Dean Thos. L.	Chicago, Ill.,	General Adjuster,	Liverpool & London & Globe Ins. Co.
Devin David T.	Chicago, Ill.,	Manager,	Hartford Fire Insurance Co., Hfd.
Doeppers August B.	Indianapolis, Ind.,	General Agent,	Reliance Insurance Co., Phila.
Dresser Jasper M.	Lafayette, Ind.,	Financial Agent,	Delaware Insurance Co., Phila.
Ducat Arthur C.	Chicago, Ill.,	Insurance Agent,	German Ins. Co. of Indiana.
Eaton Samuel S.	St. Paul, Minn.,	Local Agent,	National Fire Ins. Co. of Hartford.
Eggleslon Seth.	Burlington, Ia.,	Adjuster,	
Engebretson Wilhelm,	Rockford, Ill.,	Special Agent,	Providence-Washington Ins. Co.
Euler Philip, Jr.	Evansville, Ind.,	Special Agent,	Rockford Insurance Co.
Forbes Wells W.	Richmond, Ind.,	State Agent,	Springfield F. & M. Ins. Co.
Franklin Morris.	New York City,	Secretary,	Royal Insurance Co., Liverpool.
Gilbert Geo. H.	Chicago, Ill.,	Special Agent,	Sun Insurance Office.
Gould Geo. D.	Chicago, Ill.,	Adjuster,	Girard Fire & Marine Ins. Co.
Hall Geo. W.	Negaunee, Mich.,	Inspector,	Independent.
Hall J. B.	Chicago, Ill.,	Special Agt. & Adj.	Girard F. & M. Ins. Co.
Harbeck Eugene,	Chicago, Ill.,	General Agent,	Phenix Ins. Co., N. Y.
Harris J. S.	Chicago, Ill.,	General Agent,	Metropole Ins. Co., Paris.
Hawkins Samuel Y.	Pinekeyville, Ill.,	Special Agent,	Fire Association of Phila.
Hawley A. H.	Le Roy, Ohio,	Secretary,	Ohio Farmers Ins. Co., LeRoy, Ohio.
Hersh Geo. Edward.	York, Pa.,	President,	Farmers Fire Ins. Co., York, Pa.
Hewitt Edgar A.	New York,	Editor,	Insurance Chronicle.
Heywood P. P.	Chicago, Ill.,	General Agent,	Hartford Fire Insurance Co.
Hine Chas. C.	New York City,	Editor,	The Insurance Monitor.
Hinsdale Aug. M.	Denver, Col.,	General Insurance	
Hosmer Frank B.	Chicago, Ill.,	Special Agent,	Northwestern National Ins. Co.
Hough Judson B.	Marion, Ill.,	Special Agent,	Western Assurance Co., Toronto.
Howard W. I.	Chicago, Ill.,	Adjuster,	Independent.
Ireton Edward L.	Chicago, Ill.,	Special Agent	Sun Insurance Office.
Johnson T. W.	Chicago, Ill.,	Special Agent	Phoenix Ins. Co., Hartford.
Keller P. C.	Quincy, Ill.,		
Kibbee Chandler W.	Minneapolis, Minn.		

THIRTY-FIFTH ANNUAL MEETING.

In Memoriam—Continued.

NAME.	ADDRESS.	TITLE.	COMPANY.
Lemon Chas. E., Lewis Walter E., Lombard S., Lyon William A., Magill H. M., Maginn John W., Main Alex. H., Marshall C. W., McGill M. R., Mooney John C., Morris Lewis R., Morse Dr. Daniel, Myers J. C., Nieman A. D., Osmun Dan'l C., Jr., Page E. S., Paige John C., Peetrey Jacob Preston E. C., Preston Charles P., Reed J. S., Reynolds Geo. W., Rice E. F., Roper Geo. S., Ruegger S. A. D., Sanford Charles M., Schmemann Karl, Schultz Daniel, Schupp Simeon, Seage Henry S., Sewell John, Simonds E. A., Smith R. J., Southwick S. H., Spalding A. W., Spano John M., Stawitz Christian, Stevison Josiah H., Strickler David, Sweeney Anthony, Thomas John E., Thompson Frank A., Tillotson D. C., Townsend A. F., Travis A. C., Trumbull A. J., Underwood T., Van Voorhis Frank, Vance J. P., Vernor Benjamin, Warner D. B., Warner John H., Warner Samuel R., Waters A. J., Webber Hiram F., Webster Thos. H., Wessenberg C., Whitehead J. M., Whiting J. H. C., Whitlock H. H., Williams Abram. Wilson J. O., Woodward M. S., Young Mar. V. B.,	Indianapolis, Ind., Chicago Ill., Fort Wayne, Ind., Madison, Ind., Pasadena, Cala., St. Louis Mo., Madison, Wis., Urbana, O., Cincinnati, O., Denver, Col., Detroit Mich., Detroit, Mich., Detroit. Mich Chicago, Ill., Denver, Colo., Des Moines, Iowa, Boston, Mass., London, Ohio, Detroit, Mich., Minneapolis, Minn., Marion, Ohio, St. Louis, Mo., Cincinnati, O., Rockford, Ill., Chicago, Ill., Louisville, Ky., Detroit, Mich., Milwaukee, Wis., Chicago, Ill., Lansing, Mich., Montreal, Canada, Chicago, Ill., Chicago, Ill., Chicago, Ill., Chicago, Ill., Indianapolis, Ind., St. Louis, Mo., Chicago Ill., York, Pa., Denver Col., Dixon, Ill., Denver, Col., Muskegon, Mich., Chicago, Ill., St. Louis, Mo., Merriam Park, Minn., Chicago, Ill., Chicago, Ill., Cincinnati, O., Detroit, Mich., Chicago, Ill., Milwaukee, Wis., Chicago, Ill., Cleveland, Ohio, Dayton, Ohio, Chicago, Ill., Mobile, Ala., Chicago, Ill., Philadelphia, Pa., Chicago, Ill., Chicago, Ill., New York, New York, N. Y., Rochester, N. Y.,	State Agent, Adjuster, General Adjuster Special Agent, State Agent, Special Agent, Retired President, Special Agent, Special Agent, Manager, State Agent, State Agent, Special Agent, State Agent, State Agent, State Agent, State Agent, Resident Manager, State Agent, Secretary, Special Agent, (First President of this Association), Special Agent, Adjuster, Secretary, Special Agent, Mgr. & Adjr., General Agent, General Agent, General Agent, Special Agent, General Adjuster, General Agent, Secretary, Adjuster, General Agent, Secretary, Adjuster, Adjuster, Secretary, Adjuster, Adjuster, Secretary, State Agent, Underwriter, Special Agent, Special Agent, Mgr. Western Dept., Special Agent, Adjuster, Adjuster, General Agent, Special Agent, General Agent, State Agent, Asst. Manager, State Agent, Special Agent, General Agent, General Agent, Special Agt. & Adjuster, Editor, Manager, Manager, Business Manager, General Agent,	{ Ins. Co. of North America. Philadelphia Underwriters. Independent. Phenix Ins. Co., N. Y. National Fire Ins. Co., Hartford. New York Underwriters Agency. German-American Ins. Co., N. Y. Sun Insurance Office. Phenix Ins. Co., N. Y. Niagara Fire Ins. Co., N. Y. Home Insurance Co., N. Y. Ins. Co. of North America. Philadelphia Underwriters. Orient Insurance Co., Hfd. Home Insurance Co., N. Y. City of London Fire Ins. Co. of Eng. Fire Association, Phila. Michigan F. & M. Ins. Co. Michigan F. & M. Ins. Co. Niagara Fire Insurance Co., N. Y. Atna Ins. Co., Hartford. Mfrs. & Merchants Mutual Ins. Co. North British & Mercantile Ins. Co. Southern Adjusting Co. Milwaukee Mechanics Ins. Co. Milwaukee Mechanics Ins. Co. German Ins. Co., Freeport, Ill. Traders Ins. Co., Chicago. Royal Canadian Insurance Co. Greenwich Insurance Co., N. Y. Traders Insurance Co., Chicago. Independent. Home F. & M. Ins. Co., Cal. Indianapolis Fire Insurance Co. Hartford Fire Insurance Co., Hfd. Co. London & Lancashire Fire Ins. Co. Orient Insurance Co. Farmers Fire Insurance Co., York, Pa. American Fire Ins. Co., Philadelphia. Liverpool & London & Globe Ins. Co. Westchester Fire Insurance Co., N. Y. Northern Assurance Co. Firemens Ins. Co., Dayton, O. Fire Association, Phila. Independent. Hamburg-Bremen Fire Ins. Co., Germany. Union Insurance Co., Phila. Springfield F. & M. Ins. Co. Phoenix Assurance Co., London. Ins. Co. of North America. Philadelphia Underwriters. Phoenix Assurance Co., London. Continental Ins. Co., N. Y. Connecticut Fire Ins. Co. Commerce Ins. Co. of Albany. Mobile Underwriters. Imperial Ins. Co., Ltd., England. American Exchange & Review. Delaware Insurance Co. Reliance Insurance Co. Connecticut Fire Insurance Co. Ins. Monitor & Law Journal. Gans Salvage Co. Commerce Insurance Co., Albany.

HISTORICAL.

ANNUAL MEETINGS OF THE ASSOCIATION.

1871—DAYTON, OHIO, February 22:

C. E. BLIVEN, Chairman.
*J. S. REED, President.

R. L. DOUGLASS, Vice-President.
C. E. BLIVEN, Sec. and Treas.

1871—INDIANAPOLIS, IND., July 25 and 26:

J. S. REED, President.
*A. C. BLODGET, President.

R. L. DOUGLASS, Vice-President.
C. W. MARSHALL, Vice-President.
C. E. BLIVEN, Sec. and Treas.

1872—DETROIT, MICH., July 17, 18, and 19:

A. C. BLODGET, President.

C. W. MARSHALL, Vice-President.

C. E. BLIVEN, Sec. and Treas.

1872—CHICAGO, ILL., September 18 (Special):

A. C. BLODGET, President.
*R. J. SMITH, President.

C. E. BLIVEN, Sec. and Treas.

C. W. MARSHALL, Vice-President.
S. LUMBARD, Vice-President.

1873—MILWAUKEE, WIS., July 16 and 17:

R. J. SMITH, President.

S. LUMBARD, Vice-President.

C. E. BLIVEN, Sec. and Treas.

1874—LOUISVILLE, KY., May 20 and 21:

R. J. SMITH, President.

S. LUMBARD, Vice-President.

C. E. BLIVEN, Sec. and Treas.

1875—CHICAGO, ILL., September 22, 23 and 24:

C. W. MARSHALL, President.

J. O. WILSON, Vice-President.

C. E. BLIVEN, Sec. and Treas.

1876—CHICAGO, ILL., September 27 and 28:

J. O. WILSON, President.

B. VERNER, Vice-President.

C. E. BLIVEN, Sec. and Treas.

1877—CHICAGO, ILL., September 19, 20 and 21:

C. E. BLIVEN, President.

P. P. HEYWOOD, Vice-President.

GEO. W. HAYES, Sec. and Treas.

1878—CHICAGO, ILL., September 18 and 19:

I. S. BLACKWELDER, President.

J. M. DRESSER, Vice-President.

GEO. W. HAYES, Sec. and Treas.

1879—CHICAGO, ILL., September 17 and 18:

GEO. W. ADAMS, President.

W. B. CORNELL, Vice-President.

GEO. W. HAYES, Sec. and Treas.

1880—CHICAGO, ILL., September 8 and 9:

A. W. SPALDING, President.

A. J. WATERS, Vice-President.

GEO. W. HAYES, Sec. and Treas.

1881—CHICAGO, ILL., September 14 and 15:

J. M. DRESSER, President.

E. F. RICE, Vice-President.

GEO. W. HAYES, Sec. and Treas.

*Elected and entered upon their duties at this session.

HISTORICAL.

ANNUAL MEETINGS OF THE ASSOCIATION—Continued.

- 1882—CHICAGO, ILL., September 6 and 7:
W. B. CORNELL, President. J. M. NEUBERGER, Vice-President.
GEO. W. HAYES, Sec. and Treas.
- 1883—CHICAGO, ILL., August 29 and 30:
JAMES M. DE CAMP, President. C. W. POTTER, Vice-President.
GEO. W. HAYES, Sec. and Treas.
- 1884—CHICAGO, ILL., September 10 and 11:
CYRUS K. DREW, President. T. J. ZOLLARS, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1885—CHICAGO, ILL., September 23 and 24:
J. L. WHITLOCK, President. T. H. SMITH, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1886—CHICAGO, ILL., September 8 and 9:
W. F. FOX, President. H. H. HOBBS, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1887—CHICAGO, ILL., September 14 and 15:
ABRAM WILLIAMS, President. W. R. FREEMAN, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1888—CHICAGO, ILL., September 12 and 13:
ISAAC W. HOLMAN, President. J. C. MYERS, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1889—CHICAGO, ILL., September 17 and 18:
JOHN HOWLEY, President. W. T. CLARKE, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1890—CHICAGO, ILL., September 10 and 11:
E. A. SIMONDS, President. E. V. MUNN, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1891—CHICAGO, ILL., October 7, 8 and 9:
H. C. EDDY, President. BYRON G. STARK, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1892—CHICAGO, ILL., September 27 and 28:
H. P. GRAY, President. W. P. HARFORD, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1893—CHICAGO, ILL., September 27 and 28:
EUGENE HARBECK, President. E. L. ALLEN, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1894—CHICAGO, ILL., September 26 and 27:
H. CLAY STUART, President. GEO. M. LOVEJOY, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1895—CHICAGO, ILL., September 25 and 26:
W. J. LITTLEJOHN, President. H. C. ALVERSON, Vice-President.
E. V. MUNN, Sec. and Treas.

HISTORICAL.

ANNUAL MEETINGS OF THE ASSOCIATION—Continued.

1896—CHICAGO, ILL., September 29 and 30: GEO. M. LOVEJOY, President. E. V. MUNN, Sec. and Treas.	H. T. LAMEY, Vice-President.
1897—CHICAGO, ILL., September 29 and 30: GEO. H. MOORE, President. STEPHEN E. CATE, Vice-President.	J. A. KELSEY, Treasurer. E. V. MUNN, Secretary.
1898—CHICAGO, ILL., September 27 and 28: JOS. H. LENEHAN, President. JOHN E. DAVIES, Vice-President.	J. A. KELSEY, Treasurer. D. S. WAGNER, Secretary.
1899—CHICAGO, ILL., September 27 and 28: FRANK H. WHITNEY, President. W. R. TOWNLEY, Vice-President.	J. A. KELSEY, Treasurer. D. S. WAGNER, Secretary.
1900—CHICAGO, ILL., September 26 and 27: OTTO E. GREELY, President. CYRUS WOODBURY, Vice-President.	J. A. KELSEY, Treasurer. D. S. WAGNER, Secretary.
1901—CHICAGO, ILL., September 25 and 26: P. D. McGREGOR, President. GEO. W. HAYES, Vice-President.	J. A. KELSEY, Treasurer. D. S. WAGNER, Secretary.
1902—CHICAGO, ILL., September 24 and 25: H. N. WOOD, President. F. W. WILLIAMS, Vice-President.	J. A. KELSEY, Treasurer. D. S. WAGNER, Secretary.
1903—CHICAGO, ILL., September 29 and 30: JOHN MARSHALL, JR., President. H. R. LOUDON, Vice-President.	W. R. TOWNLEY, Treasurer. D. S. WAGNER, Secretary.
1904—CHICAGO, ILL., September 28 and 29: H. H. FRIEDLEY, President. F. W. BOWERS, Vice-President.	W. R. TOWNLEY, Treasurer. D. S. WAGNER, Secretary.
*1905— THOMAS E. GALLAGHER, President. S. D. ANDRUS, Vice-President.	W. R. TOWNLEY, Treasurer. NELSON E. BRIGGS, Secretary.

*Place and date to be named.

OFFICERS ELECTED
AT THE
Thirty-Fifth Annual Meeting
OF THE
Fire Underwriters' Association
OF THE NORTHWEST.

PRESIDENT.

THOMAS E. GALLAGHER.....CINCINNATI, OHIO.
General Agent Aetna Insurance Co. of Hartford.

VICE-PRESIDENT.

S. D. ANDRUS.....CHICAGO, ILL.
Special Agent Providence-Washington Insurance Co.

TREASURER.

W. R. TOWNLEY.....CHICAGO, ILL.
General Agent British America Assurance Co. and Western Assurance Co.

SECRETARY.

NELSON E. BRIGGS.....CHICAGO, ILL.
State Agent North British & Mercantile Insurance Co.

BOARD OF DIRECTORS.

H. H. FRIEDELEY.....INDIANAPOLIS, IND.
State Agent Insurance Co. of North America and Philadelphia Underwriters.

FRANK A. MANNEN.....MINNEAPOLIS, MINN.
Special Agent Fireman's Fund Insurance Co. and Home F. & M. Insurance Co., Cala.

JOHN SHEPHERD.....ST. LOUIS, MO.
Special Agent Liverpool & London & Globe Insurance Co.

GEO. A. ARMSTRONG.....DETROIT, MICH.
State Agent and Adjuster Aetna Insurance Co. of Hartford.

R. W. KUHN.....DENVER, COLO.
Special Agent Royal Insurance Co.

J. J. JOHNSON.....CHICAGO, ILL.
Special Agent and Adjuster Niagara Fire Insurance Co.

WAITE BLIVEN.....CHICAGO, ILL.
Special Agent American Fire Insurance Co., Philadelphia.

FRANK A. MEINEL.....CHICAGO, ILL.
Assistant Manager London & Lancashire Fire Insurance Co. and Orient Insurance Co., Hartford.

L. S. MACENANEY.....CHICAGO, ILL.
Special Agent Agricultural Insurance Co.

